98TH CONGRESS
2d Session

SENATE

REPORT
98-478

MOTOR VEHICLE THEFT LAW ENFORCEMENT ACT OF 1984

MAY 23 (legislative day, MAY 21), 1984.—Ordered to be printed

Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany S. 1400]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 1400) to enhance the detection of motor vehicle theft and to improve the prosecution of motor vehicle theft by requiring the Secretary of Transportation to issue standards relating to the identification of vehicle parts and components, by increasing criminal penalties applicable to trafficking in stolen vehicles and parts, by curtailing the exportation of stolen motor vehicles and off-highway mobile equipment, and by establishing penalties applicable to the dismantling of vehicles for the purpose of trafficking in stolen parts, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and an amendment to the title and recommends that the bill do pass.

PURPOSE OF THE BILL

Motor vehicle theft is one of the fastest growing property-related crimes in the United States. In 1982, the most recent year for which FBI statistics are available, the monetary loss to the American public was $4.5 billion in property loss and in excess of another $3 billion in related costs to consumer.

The FBI statistics show that more than one million vehicles were stolen during 1982, one out of every 153 registered; 74.8 percent of these vehicles were automobiles.

These statistics also buttress the contention of law enforcement agencies that auto theft is rapidly becoming the province of organized crime, employing older, seasoned professional thieves:

The recovery rate for stolen vehicles has dropped to 54.2 percent, the second lowest in history (in 1960 it was 90 percent).

Only 14.4 percent of vehicle thefts were cleared by arrests.

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Auto theft was once the speciality of juveniles who stole for "joy rides" but in 1982, only 36 percent of those arrested for this crime were juveniles (under 18 years)—the lowest rate in history.

The FBI statistics also show us that in 1982 motor vehicle thefts accounted for an alarming 46.4 percent of ALL larcenies reported to law enforcement agencies.

The solution rate for these crimes during 1982 dropped to 12.8 percent. It has steadily declined by a total of 47.1 percent over the past 16 years.

At present, motor vehicle manufacturers voluntarily label engines and transmissions with a derivative of the 17-character vehicle Identification Number (VIN). State laws in Tennessee and Georgia require manufacturers to apply the VIN to engines and transmissions. Experience has shown that car thieves generally discard the numbered parts of a stolen car, despite their value, because of the higher risk of dealing with identifiable parts. The remaining, unmarked parts of the cars disassembled in "chop shops" are sold to body shops. Given the high cost of replacement parts for automobiles damaged in accidents, these "chop shop" operations are extremely profitable.

An additional problem in this area is the unchecked export of stolen cars. Under current procedure, an individual shipping a stolen vehicle out of the country must only fill out a shipper's export declaration, which inadequately defines the item shipped. In addition, a shipper has up to 72 hours after the vessel has sailed to report to U.S. Customs that the vehicle has been exported. Once a stolen motor vehicle is out of the country, it becomes almost impossible to trace and recover.

To address these concerns, this legislation amends the Motor Vehicle Information and Cost Savings Act to require the Secretary of Transportation to promulgate a motor vehicle theft prevention standard. S. 1400, as reported, also amends other provisions of law to provide increased penalties for trafficking in stolen motor vehicles and to close the loophole in current regulations governing the export of motor vehicles.

Background and Need

During the Surface Transportation Subcommittee's hearing on S. 1400, the magnitude of the motor vehicle theft problem, its increasing severity, and its growing dominance by organized crime were made very clear.

At present, motor vehicle theft is an extremely profitable crime. According to the International Association of Chiefs of Police, a vehicle can be stolen in less than one minute, with tools costing less than $50. In less than 40 minutes, a vehicle can be totally disassembled and chopped into parts for sale at a "chop shop". The economics of car parts, in turn, makes it very profitable to operate these chop shops. Experts estimate that it would cost between $24,000 to $30,000 to rebuild with replacement parts an automobile that cost $7,000 new.

Motor vehicle theft imposes significant costs on society. In 1983, the Consumer Federation of america (CFA) conducted a study to

determine the costs of the auto theft epidemic to consumers. CFA estimated that, for the year 1981, the costs to American consumers came to approximately $3.3 billion, based on the following conclusions:

The cost of theft-related insurance premiums totalled slightly more than $1.3 billion.

Replacement costs for the contents of stolen cars came to approximately $300 million.

Theft prevention devices purchased in that year cost approximately $295 million.

Related taxpayer expenses in the area of criminal justice, such as courts, police, etc., totalled $622 million.

Consumer spending on such items as repair/replacement costs to uninsured drivers; uncompensated car rental costs; parking and garage costs related to auto theft prevention, etc., totalled approximately $660 million.

Auto theft is conservatively estimated to cost the rental car industry $60 million per year. Further, motor vehicle theft results in higher law enforcement costs and also increases insurance costs to consumers. The theft portion of comprehensive insurance coverage now costs an average of over $30 per vehicle and in some high-crime areas can cost $400 or more. The problem is growing: for example, total theft losses to Michigan members of the American Automobile Association (AAA) increased 36 percent in 1982, compared to 1981, and total theft claims rose 50 percent.

State law enforcement authorities who are auto theft experts have testified regarding the inability of local jurisdictions to deal effectively with the issue and the need for Federal legislation to combat the problem. They point out that even when they recover stolen auto parts, the lack of identification numbers stamped into these parts prevents them from making a positive identification in court as to the parts' origin. This acts as a bar to effective prosecution. Further, State, County and municipal law enforcement organizations are usually restricted by boundary lines limiting their jurisdictions. This makes it difficult, if not impossible, for these local law enforcement groups to prosecute multi-State theft rings financed and managed by organized crime syndicates.

An additional concern is the export of stolen cars overseas, which currently goes virtually unchecked. For example, between 10,000 and 20,000 stolen vehicles, usually late model or luxury cars, and four-wheel drive vehicles, are taken to Mexico each year, with only a small portion of these ever recovered. Of equal concern is the problem of the export of vehicle components.

Law enforcement agencies, the insurance industry, and others believe motor vehicle component labeling will be effective in combatting motor vehicle theft. Law enforcement officials have explained to the Committee that, in a court of law, it is difficult to obtain conclusive evidence of a crime if the recovered parts cannot be linked to a stolen vehicle. Numbering of the major component parts would provide a basis for establishing this crucial linkage that would enable them to secure convictions of professional auto thieves.

The entire 17-character VIN is not needed for effective component parts labeling. Law enforcement officials assert that the last 8 digits alone are sufficient.

Several parts labeling programs have been undertaken in recent years, which further substantiate the belief that component numbering, coupled with the criminal sanctions included in S. 1400, as reported, would help curb motor vehicle theft. For example:

In 1980, National Car Rental began a test program of component marking its rental fleet in Chicago; the program was expanded to Detroit and Cleveland in 1981. In 1982, the Truck Renting and Leasing Association initiated a test component part marking program in Atlanta. Both programs have proven successful, with a decrease in the theft rate and a significant increase in the number of vehicle recoveries.

National now marks about 20 car components by way of a sandblasting technique. In 1982, National had a 92.17 percent recovery rate in Chicago, versus a 65 percent rate prior to making.

Two automobile manufacturers, Ford and General Motors (GM), implemented experimental parts marking programs:

In 1979, Ford initiated an experimental program to identify 6 additional component parts on the Lincoln and Mark VI automobiles in an effort to investigate the possible effect on reducing vehicle thefts (the Continental was added in 1982). Ford printed the VIN on tamper-resistant labels and applied them on vehicle front fenders, front doors, hood, deck lid, and rear body structure. FBI an National Automobile Theft Bureau (NATB) data indicate an improved recovery rate of the test vehicles, but Ford considers the overall success of the program uncertain, because the theft rates provided by the FBI were inconsistent with those made available by NATB.

GM concluded from its pilot parts program which also used tamper-resistant labels to mark the parts, that there was no significant difference in theft and recovery rates for marked and unmarked cars. However, the pilot project was introduced in the middle of a model year, making it difficult to distinguish between parts which had been numbered and parts of vehicles which were unnumbered.

Experts project that a program which effectively reduces auto theft will result in substantial consumer savings. For example, the National Association of Independent Insurers estimated in 1980 a $200 million premium savings to the American consumer resulting from parts numbering, assuming a 10-percent drop in auto theft. The American Insurance Association estimated in 1983 that insurance premium reductions eventually would more than compensate for the amount the parts marking would add to the cost of a car.

The Committee considers rapid implementation of a theft prevention standard, which goes beyond these pilot projects and is therefore applicable to a significantly larger number of cars on a nationwide basis, to be crucial in combatting the motor vehicle theft problem.

LEGISLATIVE HISTORY

On July 19, 1983, the Subcommittee on Surface Transportation conducted a hearing on S. 1400. Testimony was presented by Senator Charles H. Percy, the Attorney General of Missouri, the Secretary of State of Illinois, law enforcement officials, insurance industry representatives, automobile industry representatives, and car rental industry representatives.

On April 10, 1984, the Commerce Committee ordered reported S. 1400, as amended, by a rollcall vote of 15 to 0.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 22, 1984.

Hon. BOB PACKWOOD,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 1400, the Motor Vehicle Theft Law Enforcement Act of 1984, as ordered reported by the Senate Committee on Commerce, Science and Transportation, April 10, 1984. We estimate that implementation of this bill would cost the federal government about $200,000 per year. The bill would not affect the budgets of state and local governments.

This bill makes the Secretary of Transportation responsible for developing an initial theft prevention standard which will require auto manufacturers to mark certain new car parts. This standard will apply to new parts for cars having or expected to have a theft rate above the median rate for all new passenger cars sold in the United States, as well as to cars with parts that are interchangeable with those having high theft rates. The initial standard will not apply to more than 14 passenger car lines distributed in the United States by any particular car manufacturer, and may not impose costs of more than $15 per vehicle. The Department of Justice will provide information to the Secretary of Transportation annually on the number and type of each motor vehicle reported stolen.

After the initial theft standard has been in place for four years, the Secretary of Transportation is required to undertake a program evaluation to determine if the standard is cost-effective, and if it has led to decreased auto theft insurance rates, savings to consumers and better law enforcement. Based on the findings of this analysis, the Secretary will either issue a subsequent standard to continue or modify the initial standard or rescind the initial proposal. This rule may extend the requirements to other classes of motor vehicles.

The bill mandates a number of studies and reports. It also requires the Secretary of Transportation to restore the federal stand-

ard that required automobile bumpers to be constructed to withstand collisions of five miles per hour. In 1982, the National Highway Transportation Safety Administration (NHTSA) reduced the level to 2.5 miles per hour.

The requirements that S. 1400 imposes upon the Department of Transportation (DOT) could result in some additional costs to the agency, since it now has little expertise or resources devoted to the area of theft prevention. The department would use existing resources, hire new staff, or borrow qualified staff from other agencies to promulgate the standard and conduct the required studies. Depending on the results of the program, the department may decide to create a new unit to handle theft prevention matters. Based on information from DOT, we estimate that the required activities would cost that department about $200,000 annually. We expect that no significant cost would be incurred by other government agencies.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

RUDOLPH G. PENNER, *Director.*

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

NUMBER OF PERSONS COVERED

Title I of S. 1400, as reported, requires the Secretary of Transportation to promulgate an initial motor vehicle theft prevention standard. This standard will apply to parts and components of car lines with theft rates which are above the national median theft rate, up to a maximum of 14 car lines per manufacturer. It will also apply to parts and components of new car lines which the Secretary determines are likely to have a high theft rate and certain cars whose parts and components are interchangeable with those subject to the theft prevention standard because they are installed in high theft rate car lines. This standard also will apply, with lesser requirements, to replacement parts or components for car lines covered by the theft prevention standard. Title I also provides for the Secretary to promulgate a subsequent motor vehicle theft prevention standard if such a standard would be cost beneficial; such a standard could cover parts and components of fewer or more car lines than the initial standard and could also include under its requirements parts and components of trucks and other vehicles.

Title II contains various antifencing measures which will apply to persons who knowingly remove, obliterate, tamper with, or alter any identification number required by the theft prevention standard for any motor vehicle, part, or component, or who buy, receive, possess, or obtain control of, with intent to sell, transfer, distribute, dispense with, or otherwise dispose of, any motor vehicle, part, or component whose identification number has been unlawfully altered.

Title III provides importation and exportation measures. All persons seeking to export a used motor vehicle or used off-highway mobile equipment are required to provide documentation to Customs officials at the time of export. This title also provides penalties which will apply to persons who import, export, or attempt to import or export any stolen vehicle or any motor vehicle part or component whose identification number has been unlawfully altered.

Title V upgrades the existing Federal motor vehicle safety standard governing automobile bumpers. As this standard currently is applicable to all vehicles sold in the United States, the number of persons covered should be consistent with current levels.

Economic Impact

Section 101 of S. 1400, as reported, requires the Secretary to promulgate a motor vehicle theft prevention standard. The cost of this standard to manufacturers is limited by the legislation to $15 per motor vehicle and, in the case of replacement parts and components, some reasonable lesser amount as determined by the Secretary. These costs will be indexed from 1984. The Secretary may amend the standard if necessary to eliminate costs which exceed $15 per motor vehicle or the specified lesser amount for individual replacement parts and components. Four years after the effective date of the initial theft prevention standard, the standard will be evaluated by the Secretary, in consultation with the Attorney General, as to the costs versus the benefits of the standard. This evaluation will be used in determining whether to continue in effect the initial theft prevention standard, modify the initial standard to include more or fewer vehicles, or rescind the initial standard altogether.

Sections 101, 201, 204, 301, and 302 set forth civil and criminal penalties for violations of this Act. These penalties are intended to increase compliance with these regulations. In determining the level of the civil penalty under section 101, related to noncompliance by manufacturers to the theft prevention standard, the Secretary is to consider the appropriateness of the penalty to the size of the business of the person charged and the gravity of the violation.

Privacy

S. 1400, as reported, will not have any adverse impact on the personal privacy of the individuals affected.

Section 101 of the legislation also provides that information provided by manufacturers to the Secretary of Transportation, pursuant to the requirements of title I of S. 1400, related to trade secrets, other technological, commercial, and financial information, is to be treated by the Secretary as confidential.

Paperwork

Section 101 requires the Department of Transportation to initiate rulemaking activities. Specifically, the Secretary is required to initiate a rulemaking to promulgate an initial motor vehicle theft prevention standard. The legislation also establishes a procedure

whereby manufacturers can petition the Secretary for an exemption from the component numbering requirement of the standard to use an anti/theft device. Section 101 also authorizes the Secretary, after reporting on the effectiveness of the initial theft prevention standard, to initiate a rulemaking to promulgate a subsequent motor vehicle theft prevention standard.

Section 101 authorizes the Secretary to reasonably require manufacturers and importers of motor vehicles to establish and maintain records and make reports to enable the Secretary to determine whether the manufacturer is in compliance with this title and the theft prevention standard. Manufacturers are also required to certify to the distributor or dealer that the parts or components included in the vehicle at the time of assembly conform to the theft prevention standard, unless the motor vehicle is to be exported.

Section 101 also requires the Department of Justice to report to the Secretary at the end of each successive calendar year on the motor vehicle theft data for that year. In addition, section 101 requires the Secretary of Labor, at the beginning of each calendar year, starting in 1985, to submit Bureau of Labor Statistics data on the Consumer Price Index for the preceding year to the Secretary of Transportation.

Section 401 requires the Secretary of Transportation to establish a task force to study problems which relate to motor vehicle titling and controls over motor vehicle salvage and which may affect the motor vehicle theft problem. The task force is to prepare a report on the results of its study and submit the report to Congress and to the chief executive officer of each State within 18 months of the date of enactment of this Act.

S. 1400 also requires three studies. Section 101 requires the Secretary, with the Attorney General, to submit a report to Congress on the fourth anniversary of the effective date of the initial motor vehicle theft prevention standard as to the effectiveness of the standard. The report is also to include recommendations as to whether this standard should be continued in force, modified to include parts and components of fewer or more motor vehicles, or rescinded. Section 102 requires the Secretary to submit a report to Congress, within one year of enactment, on security devices and systems which are designed to deter individuals from entering a locked motor vehicle and starting the motor vehicle for the purpose of stealing it. This study is to be performed in consultation with the Attorney General. Section 402 requires the Attorney General, in consultation with the Secretaries of Transportation and Treasury, and the Postmaster General, to submit a report on the implementation and development of the provisions of this Act and their effectiveness in helping to prevent and reduce motor vehicle-related theft. This report is due on or before the first June 30 which occurs at least 15 months after enactment and on or before each June 30 for the following nine successive years.

Section-by-Section Analysis

Section 1.—Short title

This section states the short title of the legislation, the "Motor Vehicle Theft Law Enforcement Act of 1984".

Section 2.—Findings and purposes

This section notes Congress' findings that: (1) the annual number of reported motor vehicle thefts has exceeded 1.1 million; (2) the theft of motor vehicles and the disposition of stolen motor vehicles and motor vehicle parts and components are becoming more professional in nature; (3) motor vehicle theft has brought increased and unnecessary burdens to motor vehicle users and to American taxpayers; (4) national and international uniformity relating to such standards as motor vehicle identification and titling would facilitate commerce and prevent criminal abuse; (5) a cooperative State/Federal partnership is required to devise appropriate interrelated systems in the area of motor vehicle titling and registration in order to help curb motor vehicle theft; (6) the theft and unlawful disposition of motor vehicles and their parts and components can be curtailed significantly through more effective use of the facilities of the National Crime Information Center; (7) manufacturers should be encouraged to increase their efforts to develop better security systems to thwart motor vehicle theft; (8) insurance industries should be encouraged to continue and improve their practices relating to premium discounts or surcharges based upon the theft potential of motor vehicles and on the soundness of their theft prevention systems; (9) the cooperation and assistance of the motor vehicle insurance industry are needed to curb the growing problem of insurance fraud; (10) local motor vehicle antitheft campaigns have been effective in reducing theft; (11) an increased vigilance by used motor vehicle dealers, motor vehicle dismantlers, recyclers, and salvage dealers, and by motor vehicle repair and body shops is crucial in order to curtail theft; (12) the shipment of stolen motor vehicles and their parts and components, as well as stolen off-highway mobile equipment, outside the United States is a serious problem; (13) the continued assistance and cooperation of Canada and Mexico are necessary to aid the United States in efforts to limit the opportunity for stolen motor vehicles and off-highway mobile equipment to enter Canada and Mexico from the United States; (14) Federal, State, and local prosecutors should give increased emphasis to the prosecution of persons committing motor vehicle thefts; (15) the efforts of the U.S. Attorney General, and the Secretaries of Transportation, Treasury, State, and Commerce in the formation of the Interagency Committee on Auto Theft Prevention, with cooperation from the private sector, should be continued and expanded; and (16) the efforts of the National Committee on Uniform Traffic Laws and Ordinances in amending various sections of the Uniform Vehicle Code to incorporate anti-theft measures can be beneficial in controlling the motor vehicle theft problem.

This section further states that the purpose of this Act is to: (1) improve the identification numbering systems for motor vehicles and their major parts and components; (2) increase the Federal criminal penalties imposed upon persons trafficking in stolen motor vehicles and their parts and components; (3) establish procedures to reduce opportunities for exporting stolen motor vehicles and off-highway mobile equipment; and (4) establish a task force to study anti-theft measures for State motor vehicle titling programs.

TITLE I—IMPROVED IDENTIFICATION FOR MOTOR VEHICLE PARTS AND COMPONENTS

Section 101.—Motor vehicle theft prevention standard

This section amends the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) by adding a new Title VI to that Act. This new title VI, entitled "Theft Prevention", is comprised of seven sections.

New section 601, as created by S. 1400, "Promulgation of Theft Prevention Standard", specifies standards for promulgation of a motor vehicle theft prevention standard. This standard is to be a minimum performance standard relating to methods and procedures for the identification of new motor vehicle parts and components. Subsection (a)(1) requires the Secretary of Transportation to publish a proposed initial motor vehicle theft prevention standard within 3 months after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984.

Subsection (a)(2) defines various terms as used throughout new title VI of the Motor Vehicle Information and Cost Savings Act, including: "passenger car," "motorcycle," "trailer," "truck," "multipurpose passenger vehicle," "manufacturer," "ultimate purchaser," and "new part," among others.

Subsection (b)(1) requires the Secretary to promulgate an initial motor vehicle theft prevention standard; the types of vehicles designated in this initial standard are limited to passenger cars. The Secretary is required to take this action as soon as possible after the three-month period specified in subsection (a) for publication of the proposed initial standard, but no later than 6 months after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984. This theft prevention standard is to be practicable and the Secretary is to employ relevant objective criteria.

The theft prevention standard is to be a "performance standard," that is, one which states performance requirements (as contrasted to design requirements) for the methods and procedures for identifying parts and components. This performance standard must employ "objective" criteria which are "relevant"; these criteria must be pertinent to the primary purpose of the standard—the prevention of motor vehicle theft. The requirement that the standard be "practicable" means that the Secretary, in promulgating the standard, must take into consideration all relevant factors involving reasonableness and achievability. These include, by way of example, but are not limited to: the availability of technology capable of meeting the requirements of the standard, the cost of such technology, and the reasonable lead time needed by manufacturers to prepare for compliance with the standards.

The initial theft prevention standard shall take effect at least 180 days after the date on which the standard is promulgated, unless the Secretary finds, for good cause shown, that an earlier or later effective date is in the public interest. However, the initial standard will not apply to any line during the model year of that line in which the inital standard is promulgated.

The term "line" is defined in this section as a name which a manufacturer applies to a family of motor vehicles within a make which have a degree of commonality in construction, such as a

body, chassis, or cab type; a "make" is defined as a name which a manufacturer applies to a group of vehicles. The term "motor vehicle" is as defined throughout the Motor Vehicle Information and Cost Savings Act.

In providing that the initial standard will not apply to any line during the model year of that line in which such standard is promulgated, the Committee intends that manufacturers not be required to conform to the requirements of this initial theft prevention standard in an inordinately short time. For example, if the Secretary were to issue the initial standard in January 1986, model year 1986 cars would not be required to meet the standard; manufacturers would likely be subject to the theft prevention standard at the beginning of the model year 1987. The Committee is, nevertheless, anxious that parts and components of high theft car lines meet the initial theft prevention standard as soon as practicable.

Subsection (b)(2) provides that the initial motor vehicle theft prevention standard will continue in effect until it is terminated under subsection (c)(3) of this section. The initial theft prevention standard will apply to not more than 14 parts and components specified in the standard which are manufactured after the effective date of the standard and are installed by vehicle manufacturers during assembly into four categories of automobiles: (1) passenger cars of any line which has had a theft rate exceeding the median theft rate in the United States for all new passenger car lines sold in the United States—the theft rate is to be determined based on the theft experience over the two calendar years immediately preceding the year in which the initial theft standard is promulgated; (2) passenger cars of any line initially introduced into commerce subsequent to the two calendar years immediately preceding the year in which the initial theft standard is promulgated which the Secretary determines is likely to have a theft rate exceeding the median theft rate; (3) passenger cars of any line which would not be covered by the theft prevention standard but has parts or components that are interchangeable with a majority of the parts and components of a car line subject to the initial standard—the Secretary is required, however, to exempt such car lines with interchangeable parts if these cars account for or are likely to account for more than 90 percent of the total annual production of all lines of that manufacturer which comprise those interchangeable parts and components; and (4) passenger cars of any line initially introduced, or to be initially introduced, into commerce during or after the year in which the standard is promulgated which the Secretary determines is likely to have theft rate exceeding the median theft rate or which comprises major parts or components that are interchangeable with a majority of the parts and components of a passenger car line already covered by the initial standard.

Under the bill, the Secretary is delegated responsibility for designating which parts and components will be numbered. The Committee envisions that the Secretary will select those components for which there currently is a market for stolen parts. These generally include so-called crash parts, rather than performance parts; for example, fenders, hoods, deck lids, doors, quarter panels, rear end panels, tail gates, and radiator supports.

As noted, new parts manufactured prior to the effective date of the theft prevention standard are not required to conform to the standard. The Committee is anxious that all parts and components meet the requirements of the standard as quickly as possible. The Committee understands, however, that due to various factors, including the just-in-time production process utilized by many automobile companies, manufacturers generally do not stockpile motor vehicle parts and components. Further, manufacturers in most cases will not be required to conform to the theft prevention standard until the model year subsequent to the year in which the standard becomes effective. Therefore, given these considerations, the Committee envisions that when assembly begins on the first cars with parts and components subject to the theft prevention standard, a high proportion of those parts and components will be numbered in accordance with the requirements of the theft prevention standard.

The initial standard will also apply to all new replacement parts and components manufactured as replacements for the parts and components labelled and installed by the manufacturer during the vehicle assembly process. Replacement parts and components for those subject to the theft prevention standard, however, are required to be designated only with a manufacturer's source symbol and a common symbol indentifying the part as a replacement part. Such a common symbol could be, for example an "R".

Subsection (b)(3) specifies that the initial motor vehicle theft prevention standard will apply to parts and components of not more than 14 passenger car lines distributed in the United States by any particular motor vehicle manufacturer which have or are likely to have a theft rate that exceeds the median theft rate in the United States and are initially introduced into commerce prior to the effective date of the initial standard.

Subsection (b)(3) restricts the applicability of the theft prevention standard compared to what would have been required under the original version of S. 1400. As introduced, S. 1400 required numbering of all cars, as well as other types of motor vehicles. The Committee recognizes that the provision of new subsection (b)(3) is more limiting, but believes that the initial standard to be promulgated will provide an adequate test case by which to test the efficacy of component parts numbering as an anti-theft technique. The Committee bases this belief largely on the fact that, at the time of reporting of this legislation, an initial standard would cover car lines which represent roughly 80% of the passenger cars stolen in the United States, based on 1982 data.

As of 1983, the Committee understands that the following car lines had theft rates which exceeded the median theft rate nationwide:

1983 AUTO PRODUCTION AND THEFT DATA

Car Line	Thefts	Production volume	Theft ranking
General Motors:			
Corvette	(1)	(1)	(1)
El Dorado	639	67,416	2
Riviera	457	50,234	3

1983 AUTO PRODUCTION AND THEFT DATA—Continued

Car Line	Thefts	Production volume	Theft ranking
Seville	214	30,430	7
Toronado	248	39,605	8
Camaro	823	154,381	9
DeVille/Fleetwood	896	175,674	10
Firebird	368	74,884	12
Electra	397	84,787	14
Grand Prix	434	95,956	17
Oldsmobile 98	476	119,606	18
Monte Carlo	373	96,319	19
Regal	753	228,239	23
Cutlass	1,248	441,542	27
Cimarron	54	19,294	28
Bonneville	121	54,414	35
Delta '88	495	221,152	36
Caprice/Impala	465	220,789	38
LeSabre	296	149,431	42
Parisienne	27	17,445	55
Ford:			
Continental	36	16,831	37
Mustang	243	119,863	43
Mark VI	60	30,856	45
Capri	44	25,376	49
Fairmont	123	80,833	56
Town Car	79	53,381	57
EXP	23	18,004	61
Chrysler:			
Dodge Mirada	19	6,263	25
Imperial	3	1,555	44
New Yorker	215	121,108	47
Cordoba	25	15,712	50
E Class	55	43,305	58
Plymouth Caravelle	8	6,040	59
AMC/Renault:			
Concord	26	14,241	46
Volkswagen of America:			
Audi 5000	76	30,532	29
Quattro	2	822	31
Rabbit	131	88,012	53
Other manufacturers:			
Peugeot 540	4	476	4
Porsche 911	43	5,640	5
Mazda RX7	395	52,514	6
Mitsubishi Starion	31	6,209	11
BMW 320	166	34,619	13
Nissan 280	331	71,144	15
BMW 733	27	6,007	16
Toyota Celica	556	144,808	20
BMW 528	43	11,239	21
Toyota Cressida	144	39,755	22
BMW 633	8	2,613	24
Mercedes 380	48	17,091	26
DeLorean	1	400	30
Jaguar XJ6	31	13,110	32
Mercedes 300	99	42,763	33
Jaguar XJS	6	2,705	34
Mitsubishi Cordia	27	12,799	39
Porsche 944	29	13,554	40
Toyota Corolla	302	143,430	41
Nissan 810	139	76,209	48
Nissan 200	51	31,158	51
Toyota Starlet	11	6,717	52
Porsche 928	4	2,637	54

1983 AUTO PRODUCTION AND THEFT DATA—Continued

Car Line	Thefts	Production volume	Theft ranking
Mercedes 240	13	9,728	60

[1] No available data. Car line inclusion based on past experience.

Source: Compiled from NATB and Automotive news data.

Subsection (b)(4) provides that, with respect to any particular manufacturer, the specific lines, parts and components which are to be covered by the initial theft prevention standard may be selected by agreement by that manufacturer and the Secretary. If the manufacturer and the Secretary disagree on the selection, the Secretary is required to select the lines within one year after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984, after notice to the manufacturer and opportunity for a hearing. This proceeding would be subject to the confidentiality requirements of this title.

Subsection (b)(5) requires the Secretary within 30 days after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984 to request data from the National Crime Information Center for use in determining the median theft rate and individual passenger car line theft rates. The National Crime Information Center is to provide these data, if available, to the Secretary within 90 days after the date of the Secretary's request. If these data are not provided to the Secretary within this specified time frame, the Secretary may determine the median theft rate and the line theft rates for promulgating the initial standard through use of reliable data obtained from an alternative source. The Committee considers the National Automobile Theft Bureau to be among the reliable alternative sources for such information. These data must reflect national experience, include theft data, and must be readily available to motor vehicle manufacturers and insurance carriers. The Committee intends that these theft data are also to include whatever information is available on recoveries of stolen motor vehicles.

Subsection (b)(6)(A) provides that a manufacturer may petition the Secretary for an exemption for any line or lines from the application of the initial motor vehicle theft prevention standard and for permission to install in lieu of any requirements of such standard an anti-theft device. Such an anti-theft device would be required to be offered as standard equipment in order to qualify for the exemption. To allow use of such a device, however, the Secretary must determine, based on substantial evidence, that the anti-theft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the requirements of the initial theft prevention standard. Subsection (b)(6)(B) provides that a manufacturer must file such an exemption petition with the Secretary not less than 8 months before the commencement of production of the car line or lines where the manufacturer proposes to use the anti-theft device. A manufacturer will be required to include in its petition a detailed description of the anti-theft device and the reasons for the manufacturer's conclusion that the anti-theft device will be effective in reducing and deterring motor vehicle theft.

In including this exemption option, the Committee recognizes that there is little information currently available on the nature and effectiveness of anti-theft devices. Therefore, the Secretary is authorized to require a manufacturer to submit additional information, as may be reasonably required to make the determination with regard to granting an exemption from the requirements of the initial theft prevention standard. The Committee expects that as part of the determination of effectiveness, the Secretary will require information on the in-use efficacy of original equipment anti-theft devices.

Subsection (b)(6)(C) provides that the Secretary's determination regarding an exemption must be made within 120 days of the date of filing of such petition by a manufacturer. The Secretary may approve such petition in whole or in part. If the Secretary, however, fails to make this determination within the 120-day period, the petition will be considered approved and the manufacturer will be exempt from the application of the theft prevention standard for the subsequent model year. For example, if a manufacturer files a petition for an exemption on January 1, 1986 and the Secretary fails to make a determination within 120 days, the manufacturer will be allowed to use an anti-theft device during model year 1987 in the car line or lines specified in its exemption petition.

The Secretary is not precluded from rescinding an exemption. Subsection (b)(6)(D) provides that an exemption may be rescinded for any model year subsequent to the model year in which such rescission occurs. A rescission would be premised on a determination by the Secretary that the anti-theft device was not as effective in preventing or reducing motor vehicle theft as the numbering requirement of the theft prevention standard. The rescission shall not, however, be effective until at least 6 months after the manufacturer receives written notice from the Secretary of such rescission.

An "anti-theft" device is defined in subsection (b)(6)(E) to mean a device to reduce or deter theft which is in addition to the theft-deterrent devices required by Federal Motor Vehicle Safety Standard No. 114, Theft Protection, which the manufacturer believes will be effective in reducing or deterring motor vehicle theft. This device may not utilize any signaling device which is reserved by a provision of any State law for use on police, emergency or official vehicles, or on school buses.

In affording automobile manufacturers the opportunity to obtain an exemption from the vehicle part and component numbering requirement by allowing manufacturers to substitute an antitheft device as a means of satisfying the theft prevention standard, the Committee is seeking to encourage the continued development of new and innovative technology to deal with the motor vehicle theft problem.

Subsection (b)(7) requires the Secretary, by rule, to require each manufacturer to provide information necessary to implement paragraphs (2)(A)(ii) and (iii) of this subsection, dealing with application of the theft prevention standard to passenger cars which are likely to have theft rates which exceed the median theft rate and passenger cars which have parts that are interchangeable with parts found in passenger cars subject to the theft prevention standard.

The Committee believes that manufacturers will inform the Secretary of their new product offerings in a timely fashion.

This subsection also authorizes the Secretary from time to time to make parts and components of additional passenger car lines subject to the initial motor vehicle theft prevention standard. The specific additional lines made subject to the standard are to be selected by agreement between the relevant manufacturer and the Secretary. If, however, the manufacturer and the Secretary disagree as to any selection, the Secretary will select the passenger car lines for inclusion under the requirements of the theft prevention standard, after notice to the manufacturer and opportunity for a hearing and subject to the confidentiality requirements of this title. Manufacturers will not be required to comply with any such agreement or selection for at least six months after the date of agreement or selection. The Secretary may not delete any passenger car line or any part or component which at any time has been subject to the initial theft prevention standard in making subsequent selections for inclusion under the requirements of the standard.

Subsection (b)(8) requires the Department of Justice to report to the Secretary of Transportation within 45 days after the end of each successive calendar year beginning with the year in which the Motor Vehicle Theft Law Enforcement Act of 1984 is enacted as to: (a) the name of each manufacturer of any motor vehicle which has been reported to the National Crime Information Center to have been stolen or recovered during that calendar year; and (b) the numbers of such motor vehicles reported stolen or recovered, categorized by manufacturer, make, line, and model year. The Secretary is required to consider this information in preparing the report required under subsection (c) of this section.

Subsection (c) establishes a precise procedure to be undertaken by the Secretary in order to determine the long-term fate of the initial motor vehicle theft prevention standard. This procedure emphasizes the costs of the standard as related to the benefits obtained as a result of implementation of the theft prevention standard.

Subsection (c)(1) requires the Secretary, in consultation with the Attorney General, to prepare and publish on the fourth anniversary of the effective date of the initial motor vehicle theft prevention standard, a preliminary report to Congress. This report is to consider: (a) based upon the most recent data, whether there has been a beneficial impact, attributable to the initial standard, in terms of a reduction in the numbers of motor vehicle thefts, an increase in the percentage of stolen vehicles or parts and components recovered, and an increase in, or in the rate of, arrests, prosecutions and convictions for motor vehicle thefts; (b) based on reliable, relevant data as well as upon studies undertaken by the Secretary, whether there has been a beneficial impact, attributable to such initial standard, in terms of a decrease in the cost of automobile theft insurance, or a decrease in the rate of increase in such cost, savings to consumers realized through alleviating inconveniences and lost time experienced as a result of the theft of motor vehicles or their parts and components, and savings to society in terms of enhanced law enforcement; (c) the monetary value of any such beneficial im-

pacts versus the costs incurred in complying with the initial standard; (d) whether and to what extent, if any, the monetary value of the beneficial impacts probably would have been increased had the standard also applied to the parts and components of additional motor vehicles, and whether such monetary value, if any, would have exceeded the probable additional cost of complying with such standards; and (e) recommendations based on the information noted above and on additional relevant facts relating to costs and benefits as the Secretary may obtain, as to whether the initial theft prevention standards should be: (i) continued in force because it is cost beneficial; (ii) modified to include parts and components of fewer or more motor vehicles to achieve a higher ratio of benefits to costs, or (iii) should be rescinded because the costs exceed the benefits. The Secretary is also to consider whether the exemptions approved for anti-thefts devices under subsection (b)(6) should be continued. The Committee envisions that if such devices prove effective, the Secretary will continue to allow their use.

Subsection (c)(2) requires the Secretary to issue a notice of proposed rulemaking when this report is published. This rulemaking is to propose a subsequent standard which would be likely to produce benefits greater than the costs examined in the study. The Secretary's proposal may provide for continuance in force of the initial theft prevention standard, the identification of parts and components of fewer or more motor vehicles—including vehicles other than passenger cars, or for the rescission of the initial standard and no promulgation of any subsequent standard. This proposal may also provide for continuation of the exemptions approved by the Secretary for use of anti-theft devices by manufacturers in lieu of meeting the numbering requirements of the theft prevention standard. The Secretary is to allow at least 60 days, and not more than 120 days, for submission of comments regarding the notice of proposed rulemaking and the report on the initial motor vehicle theft prevention standard.

Subsection (c)(3) requires the Secretary to publish either a rule rescinding the initial standard or a subsequent standard which would be likely to produce benefits which are greater than the relevant costs, within 180 days after the close of the period for comments on the notice of proposed rulemaking. Any such subsequent standard is to be practicable and is to employ relevant objective criteria. The Committee envisions these criteria to be empirical in nature. The subsequent standard shall not take effect earlier than 180 days or later than one year after the date on which it is promulgated, unless the Secretary finds, for good cause shown, that an earlier or later effective date is in the public interest. If the Secretary makes such a finding, the Secretary must publish the reasons therefor.

Subsection (c)(4) specifies that the Secretary may conduct additional rulemakings pursuant to the procedures and provisions set forth in paragraphs (1) through (3) of this subsection after any rescission of the initial standard or the issuance of any subsequent standard.

Subsection (d)(1) provides that the initial motor vehicle theft prevention standard may not impose additional costs upon manufacturers of motor vehicles in excess of $15 per motor vehicle or such

reasonable lesser amount per replacement part or component. The Secretary will specify such reasonable lesser amount in the initial standard. The Committee intends that the Secretary set a ceiling on the additional costs to manufacturers of numbering any type of replacement part or component. The Committee does not expect the Secretary to set a different additional cost for each different part or component.

Subsection (d)(2) provides that any manufacturer, subsequent to the promulgation of the standard, may petition the Secretary to amend the standard. Upon a showing by the manufacturer that compliance with the standard will result in costs which exceed $15 per motor vehicle or such specified lesser amount per replacement part or component, the Secretary may amend the standard in such manner as may be necessary to eliminate costs which exceed $15 per motor vehicle or such specified lesser amount per replacement part or component.

Subsection (d)(3) establishes the procedure by which the cost to manufacturers resulting from the standard is to be indexed. This subsection requires the Secretary of Labor to certify to the Secretary and publish in the Federal Register the percentage difference between the Bureau of Labor Statistics' Consumer Price Index (CPI) for the 12 months preceding the beginning of the calendar year and the CPI for the base period—that is, 1984. This procedure is to begin in 1985. The costs to manufacturers of the theft prevention standard, i.e., $15 per motor vehicle or a reasonable lesser amount per part or component, will be adjusted by this percentage difference; this adjusted amount will be the maximum cost to manufacturers during that calendar year.

Subsection (e) specifies that the initial motor vehicle theft prevention standard may not require the numbering or other identification of more than a total of fourteen parts for any passenger car. Any subsequent standard promulgated by the Secretary under subsection (c) of this section may not require the numbering or other identification of more than a total of four parts or components for any trailer, nine parts or components for any truck, and fourteen parts or components for any other motor vehicle. The new replacement parts or components designated by the Secretary under such standard shall be identical in type to those parts or components designated for numbering or other identification during the assembly of motor vehicles manufactured after the effective date of such standard.

Subsection (f) specifies that any rule establishing, amending, or revoking a motor vehicle theft prevention standard under this title shall be issued pursuant to section 553 of title 5, United States Code.

Subsection (g) provides remedies for any person who may be adversely affected by any initial or subsequent theft prevention standard. The specified remedies are in addition to and not in lieu of any other remedies provided by law. In addition to the judicial renew of standards which is afforded by this subsection, actions of the Secretary other than issuance of standards are, of course, subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.

New section 602 of the Motor Vehicle Information and Cost Savings Act, "Determination of Compliance by Manufacturer," specifies means by which manufactures' compliance with the provisions of the title may be determined.

Section 602(a) provides that motor vehicle and replacement parts manufacturers whose parts are subject to the initial or any subsequent standard must establish and maintain such records, make such reports, and provide such items and information as the Secretary may reasonably require to enable the Secretary to determine whether such manufacturer has acted or is acting in compliance with this title and any motor vehicle theft prevention standard promulgated pursuant to this title. These manufacturers shall permit officers or employees designated by the Secretary to inspect, upon request, vehicles whose parts and components are subject to the theft prevention standard, and appropriate books, papers, records, and documents relevant to determining whether the manufacturer has acted or is acting in compliance with this title and the theft prevention standard. The manufacturer must make available all such items and information in accordance with such reasonable rules as the Secretary may prescribe.

Subsection (b) specifies inspection procedures for purposes of enforcement of this title. Officers of employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized to enter and inspect any factory, warehouse, or establishment in which motor vehicles or replacement parts and components subject to the theft prevention standard are manufactured or held for introduction into interstate commerce or are held for sale after such introduction. Each such inspection is to be conducted at reasonable times, in a reasonable manner, and with reasonable promptness.

Subsection (c) specifies that every manufacturer or distributor of a motor vehicle comprising parts and components subject to the theft prevention standard shall furnish to the distributor or dealer at the time of delivery of such vehicle by such manufacturer or distributor a certification that all parts of each vehicle which are subject to the standard conform to the applicable theft prevention standard. The certification requirement does not, however, apply to replacement parts and components not part of the original assembly of the motor vehicle. The requirement also does not apply to any motor vehicle, part, or component which is intended solely for export, and is so labeled or tagged, and is exported. The Secretary is authorized to issue rules prescribing the manner and form of the certification requirement.

Subsection (d) requires a motor vehicle manufacturer to notify the Secretary if it obtains knowledge that the identification applies to any regulated part or component installed by the manufacturer in a motor vehicle during assembly contains an error, if such motor vehicle has been distributed in interstate commerce.

New section 603, "Prohibited Acts," specifies four prohibited acts relating to the theft prevention standard. Subsectrion (a) prohibits any person from: (1) manufacturing for sale, selling, offering for sale, or introducing or delivering for introduction in interstate commerce, or importing into the United States any motor vehicle, part, or component covered by the theft prevention standard, when effec-

tive, unless it is in conformity with the standard; (2) failing to comply with any rule prescribed by the Secretary under this title; (3) failing to keep specified records or refusing access to or copying of records, failing to make reports or provide items or information, or failing or refusing to permit entry or inspection, as required under this title; or (4) failing to furnish appropriate certification.

Subsection (b) provides that this provision does not apply to any person who establishes that he did not have reason to know in the exercise of due care that the part or component is not in conformity with an applicable theft prevention standard. This subsection further provides that a motor vehicle or vehicle replacement part or component offered for importation in violation of this section shall be refused admission into the United States. The Secretary of the Treasury and the Secretary of Transportaiton, however, shall provide for authorizing the importation of such vehicle, part, or component upon such appropriate reasonable conditions to ensure that any non-conforming part will be brought into conformity with any applicable motor vehicle theft prevention standard or will be exported or abandoned to the United States.

Subsection (c) states that compliance with a motor vehicle theft prevention standard does not exempt any person from any liability under statutory or common law.

New section 604, "Enforcement Provisions", provides a civil penalty not to exceed $250 for each violation of section 603(a). The failure of more than one part of a single motor vehicle to conform to the theft prevention standard shall constitute only a single violation. In determining the amount of the penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The maximum civil penalty shall not exceed $250,000 for any related series of violations.

Section 604(b) specifies procedures for obtaining injunctive relief from violations of this title.

New section 605, "Confidentiality of Information", provides that all information reported to or otherwise obtained by the Secretary or the Secretary's representative under this title which contains or relates to a trade secret or other technological, commercial, or financial information is to be considered confidential. This information may, however, be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title, other than under section 601(b)(4), (*i.e.,* selection of parts and components to be covered by the standard). The Secretary or any officer or employee under the Secretary's control are not authorized to withhold information from any Congressional committee.

New section 606, "Coordination with State and Local Law", provides that States and political subdivisions of States may not have any theft prevention standard which is not identical to any Federal motor vehicle theft prevention standard which is in effect.

New section 607, "Studies Regarding Security Devices and Systems", authorizes the Secretary to periodically conduct studies regarding the development of security devices or systems, or both, which are designed to deter individuals from entering a locked

motor vehicle and starting the motor vehicle for the purpose of stealing the vehicle.

Section 102.—Report regarding theft prevention systems

This section requires the Secretary to submit a report to Congress regarding security devices or systems, or both, which are designed to deter individuals from entering a locked motor vehicle and starting the motor vehicle for the purpose of stealing the vehicle. This study is to be submitted to Congress within one year after the date of enactment of this Act.

This report is to seek to determine:

1. whether a motor vehicle theft prevention standard can be devised which does not result in the compromising of motor vehicle theft prevention systems in the process of demonstrating the systems' compliance with such standard; and

2. Whether the purposes of theft prevention would be better served by such a standard or whether owners of motor vehicles used primarily in high crime rate areas should be encouraged to equip their vehicles with special security devices or systems supplied by either independent or original equipment manufacturers.

This report may also include an examination and review of any matters relating to motor vehicle theft prevention which the Secretary of Transportation considers appropriate. The Secretary is required to consult with the Attorney General. The report is also to include recommendations for legislative or administrative action which the Secretary considers necessary or appropriate.

TITLE II—ANTIFENCING MEASURES

Section 201.—Motor vehicle identification numbers; forfeitures

This section amends chapter 25 of title 18, United States Code, by adding a new section 511—"Altering or removing motor vehicle identification numbers." This section provides a penalty of a $5,000 fine and/or up to five years' imprisonment for persons who knowingly remove, obliterate, tamper with, or alter any identification number for any motor vehicle or any vehicle part or component. This provision does not apply to motor vehicle scrap processors or motor vehicle demolishers, if these persons are complying with any applicable State law relating to the disposition of any motor vehicle, or any motor vehicle part or component being processed into metallic scrap. This provision also is not applicable to persons acting under the authority of the Secretary or a State to restore or replace identification numbers.

For purposes of this section, an "identification number" is a number which is required under the National Traffic and Motor Vehicle Safety Act of 1966 or the Motor Vehicle Information and Cost Savings Act or required by any other regulation issued by the Secretary of Transporation.

This section further amends chapter 25 of title 18 by adding a new section 512—"Forfeiture of certain motor vehicles, motor vehicle parts, and motor vehicle components." This section provides that if any identification number for any motor vehicle, part, or component is removed, obliterated, tampered with, or altered, then

such motor vehicle, part or component will be subject to seizure and forfeiture to the United States unless: (1) such a part or component has been attached to a motor vehicle without the vehicle owner's knowledge; (2) the vehicle, part, or component has a replacement identification number which is authorized by the Secretary of Transportation or which is in conformity with applicable State laws; (3) such removal, obliteration, tampering, or alteration is caused by collision or fire or is carried out in accordance with the provisions of section 511(b)(1) of title 18; or (4) such motor vehicle, part, or component is in the possession or control of a motor vehicle scrap processor, unless the scrap processor has knowledge that the identification number was improperly removed.

Section 202.—Definition of securities

This section amends section 2311 of title 18, United States Code, to include motor vehicle titles in the securities definition.

Section 203.—Sale or receipt of stolen motor vehicles

This section amends section 2313 of title 18, United States Code, concerning movements of stolen motor vehicles across State or U.S. boundaries. Sale or receipt of stolen vehicles which have crossed State or U.S. boundaries is subject to a maximum penalty of a $5,000 fine and/or five years' imprisonment.

Section 204.—Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components

This section amends chapter 113 of title 18, United States Code, by adding a new section 2320—"Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components." This section provides a penalty of a $25,000 fine and/or up to 10 years' imprisonment for persons who buy, receive, possess or obtain control of, with intent to sell or otherwise dispose of, any motor vehicle or any vehicle part or component with knowledge that any identification number for such vehicle, part or component has been removed, obliterated, tampered with, or altered. This provision does not apply to replacement numbers authorized by the Secretary or a State, numbers which have been altered as a result of a collision or fire, or to legitimate operations of motor vehicle scrap processors.

Section 205.—Definition of racketeering activity

This section amends the definition of racketeering activity in section 1961 of title 18, United States Code, relating to the trafficking in certain motor vehicles or their parts or components.

Section 206.—Nonmailable motor vehicle master keys

This section amends section 3002 of title 39, United States Code, to provide that any device designed or adapted primarily for the purpose of operating, circumventing, removing, or rendering inoperable the ignition switch or lock, door lock, or trunk lock of two or more motor vehicles, or any advertisement for the sale of any such device, shall not be carried or delivered by mail.

The Committee does not intend that this section should prevent legitimate users, such as auto club lockout services, from receiving

authentic lockout devices, such as the "slimjim", through parcel deliveries other than the Postal Service.

This section further amends section 3002 of title 39, United States Code to enable the Postal Service to issue an order of the same kind and with the same incidents (i.e., those related to false representation) as that authorized by section 3005 of title 39 if the Postal Service has evidence it considers satisfactory which shows that a person is engaged in a scheme or device for obtaining money or property through the mail by advertising or offering for sale any motor vehicle master key or device made nonmailable under section 3002.

This section also amends the heading for section 1716A of title 18, United States Code, to read, "Nonmailable motor vehicle master keys and other devices". Prior to amendment, section 1716A, "Nonmailable motor vehicle master keys", provided a penalty of up to $1,000 and/or 1 years' imprisonment for persons who knowingly deposit for mailing or delivery or cause to be delivered by mail any matter declared under section 3002 to be nonmailable.

TITLE III—IMPORTATION AND EXPORTATION MEASURES

Section 301.—Amendments to Title 18, United States Code

This section amends chapter 27 of title 18 United States Code, by adding a new section 553—"Unlawful importation or exportation of stolen motor vehicles, off-highway mobile equipment, vessels, or aircraft."

This section provides a penalty of a $10,000 fine and/or up to five years' imprisonment for any person who imports, exports, or attempts to import or export stolen vehicles or vehicles whose identification numbers have been removed or otherwise tampered with.

Section 302.—Amendment to Tariff Act of 1930

This section amends Part V of title IV of the Tariff Act of 1930 (19 U.S.C. 1581 et seq.) by adding a new section 627—"Unlawful Importation or Exportation of Certain Vehicles and Equipment; Inspections."

This section provides a civil penalty of up to $10,000 for each violation for the knowing import, export, or attempted import or export of stolen vehicles or vehicles whose identification numbers have been altered.

This section also requires persons seeking to export any used motor vehicle or used off-highway mobile equipment to present to the appropriate customs officer, pursuant to regulations prescribed by the Secretary, both the vehicle or equipment and a document describing the vehicle or equipment and listing its identification number. These items must be presented before lading if the vehicle or equipment is to be transported by vessel or aircraft, or before export if the vehicle or equipment is to be transported by rail, highway, or under its own power. Failure to comply with the Secretary's regulations subjects a person to a civil penalty of up to $500 for each violation.

This section also authorizes Customs officers to cooperate and exchange information concerning motor vehicles, off-highway mobile equipment, vessels, or aircraft, either before exportation or after

exportation or importation with law enforcement or governmental authorities and with organizations involved in theft prevention activities.

The provisions of this section take effect on the 15th day after the date of enactment of this Act.

TITLE IV—REPORTING REQUIREMENTS

Section 401.—Report regarding antitheft measures for State motor vehicle titling programs

This section requires the Secretary of Transportation to establish a task force to study problems related to motor vehicle tilting and controls over motor vehicle salvage and which may affect the motor vehicle theft problem. The task force is to consist of: the Secretaries of Transportation, Commerce, and Treasury, or their delegates; the Attorney General, or the Attorney General's delegate; at least five representatives of State motor vehicle departments, to be designated by the Secretary; and at least one representative, to be designated by the Secretary, from each of the following groups: (1) motor vehicle manufacturers; (2) motor vehicle dealers and distributors; (3) motor vehicle parts and accessories manufacturers and distributors; (4) motor vehicle dismantlers, recyclers, and salvage dealers; (5) motor vehicle repair and body shop operators; (6) motor vehicle scrap processors; (7) insurers of motor vehicles; (8) State law enforcement officials; (9) local law enforcement officials; (10) the American Association of Motor Vehicle Administrators; (11) the National Automobile Theft Bureau; and (12) the National Committee on Traffic Laws and Ordinances. The Committee intends that a representative of the International Association of Chiefs of Police be selected as one of the law enforcement representative on this task force.

This section provides that this task force is to be chaired by the Secretary of Transportation, or the Secretary's designate. Task force members will serve without pay, but will be reimbursed for travel expenses while away from their residences or regular places of business in performance of services for the Federal Government.

The task force is to prepare a report on the results of this study within 18 months after the date of enactment of this Act. This report is to be made after a meaningful consultative process and review of existing law, practices, studies and recommendations regarding problems related to motor vehicle titling. The report is to specify anti-theft measures necessary to address this problem and shall also include other recommendations for legislative or administrative action at the State or Federal level, and recommendations for industry actions, if such actions are considered necessary or appropriate.

Section 402.—Report regarding implementation of the act

This section requires the Attorney General, in consultation with the Secretaries of Transportation and Treasury, and the Postmaster General, to submit an annual report to the Congress on the implementation and development of the provisions of title I of this Act, the provisions of title 18 and title 39, United States Code, which are added pursuant to title II of this Act, and the provisions

of title 18, United States Code, and the Tariff Act of 1930 which are added by the amendments made in title III of this Act. The report is also to detail the effectiveness of these provisions in helping to prevent and reduce motor vehicle-related theft.

The first report regarding implementation of this Act is due on or before the first June 30 which occurs at least 15 months after the date of enactment of this Act. Reports are then to be submitted for the following nine successive years.

TITLE V—BUMPER STANDARDS

Section 501.—Amendment of bumper standard

Two sets of regulations comprise the bumper standard:

(1) the part 215 "safety" standard, promulgated in 1971 pursuant to the National Traffic and Motor Vehicle Safety Act of 1966; and

(2) the part 581 "no-damage" standard, promulgated in 1976 pursuant to both the Safety Act and the Motor Vehicle Information and Cost Savings Act.

Under these two statutes, the Federal bumper standard, until reduced by NHTSA in 1982, required protection of safety related and sheet metal parts of an automobile in a barrier crash and in an impact with a pendulum-type device at 5 mph for the front and rear bumpers and 3 mph at the corners. (As a result of meeting the pendulum tests, bumper heights were standardized at between 16 and 20 inches.) The amount of allowable damage to the bumper itself was limited to no permanent deviation greater than ¾ inch from the original bumper position and no permanent surface deviation greater than ⅜ inch.

Over the last decade, more than 100 million cars have been manufactured with 5 mph bumpers. Public support for these protective devices has been overwhelming. They have resulted in massive consumer savings, not only in reduced repair costs but also in improved automobile safety. Indeed, the General Services Administration (GSA) decided to purchase, for Government use, cars with stronger, 5 mph bumpers, notwithstanding the NHTSA decision to degrade the standard to 2.5 mph.

Consumer savings from 5 mph bumpers have been demonstrated in various tests. The Insurance Institute for Highway Safety, in February and September 1983 testimony before the Subcommittee on Surface Transportation, presented results of their crash tests comparing 5 mph and 2.5 mph bumpers. These results include the following:

1982–83 MODELS—FRONT- AND REAR-END CRASH TESTS DAMAGE REPAIR COSTS TOTALS

Make and model	Model year	Bumper system [1]	All front-end tests	All rear-end tests	All tests
Honda Accord LX	1982	5	$1,037	$158	$1,195
	1983	2.5	2,581	934	3,515
Honda Civic 1500 DX	1982	5	909	174	1,083
	1983	2.5	1,235	580	1,815
Plymouth Horizon	1983	5	447	0	447
	1983	2.5	1,135	374	1,509
Plymouth Reliant	1983	5	1,076		

1982–83 MODELS—FRONT- AND REAR-END CRASH TESTS DAMAGE REPAIR COSTS TOTALS—Continued

Make and model	Model year	Bumper system [1]	All front-end tests	All rear-end tests	All tests
Volvo GL	1983	2.5	1,042		
	1982	5	756	0	756
	1983	2.5	1,728	463	2,184

[1] In miles per hour.

Note.—1983 Plymouth Reliants have "2.5 mph" bumpers only on the front end; 5 mph bumpers were retained in the rear. Consequently, rear-end crash test were not performed.

FRONT- AND REAR-END CRASH TESTS DAMAGE REPAIR COSTS [1] 1984 FORD TEMPO AND 1983 HONDA ACCORD

Test	1984 Tempo (5 mph bumpers)	1983 Accord (2.5 mph bumpers)
5 mph front-into-barrier	0	$305
5 mph front-into-angle-barrier	$309	916
10 mph front-into-barrier	622	1,445
5 mph rear-into-barrier	0	207
5 mph rear-into-pole	0	782
Total	931	3,655

[1] Repair costs are based on July 1983 parts prices and a labor rate of $17 per hour. Criteria per bumper facebar damage were adapted from the DOT pt. 581 bumper standard requirements in effect between Sept. 1, 1979, and July 6, 1982.

Source: Insurance Institute for Highway Safety.

More recent Insurance Institute for Highway Safety data further confirm the better performance of 5 mph bumpers as compared to their 2.5 mph counterparts:

INSURANCE INSTITUTE FOR HIGHWAY SAFETY 1984 MODEL 5 MPH CRASH TEST REPAIR COSTS

	Front-into-barrier	Rear-into-barrier	Front-into-angle barrier	Rear-into-pole	Total in all 5 mph tests
Honda Civic DX/2-door	$37	$112	$302	$606	$1,057
Nissan Sentra XE/2-door	136	121	526	370	1,153
Isuzu Impulse/2-door	122	283	884	747	2,036
Ford Escort L/2-door	0	0	402	158	560
Ford Escort GT/2-door	0	0	618	769	1,387
Ford Tempo GL/4-door [1]	0	0	314	0	314
Toyota Camry/4-door	0	0	312	288	600
Chevrolet Citation II/4-door	0	0	111	187	298
Pontiac Phoenix/4-door	251	236	381	245	1,1113

[1] Tempo results were released Sept. 13, 1983.

Note.—Repair costs are rounded to nearest dollar. They incorporate January-February 1984 parts prices and a labor rate of $17 per hour. Criteria for bumper face bar damage were adapted from the DOT Part 581 Bumper standard in effect Sept. 1, 1979 to July 6, 1982.

This section requires NHTSA to reinstate the bumper standard as it existed on January 1, 1982; NHTSA must take this action within 1 year of the date of enactment. This standard will apply to automobiles manufactured for the model year after the date on which the standard is amended.

It is not the Committee's intent, however, that NHTSA be limited to a bumper standard only as strict as the 5 mph standard. The section does not preclude NHTSA from imposing a Stricter Stand-

ard which would require damage resistance at higher impact speeds.

Rollcall Votes in Committee

In accordance with paragraph 7(c) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following record votes during its consideration of S. 1400 on April 10, 1984:

An amendment to the bill which would require automobile manufacturers to install bumpers that can withstand damage at impacts of up to 5 mph was adoted. The vote was as follows:

YEAS	NAYS
Goldwater[1]	Packwood
Danforth	Long
Kassebaum[1]	Inouye
Pressler	Riegle
Gorton	Exon[1]
Stevens[1]	
Kasten	
Trible	
Hollings	
Lautenberg	

[1] By proxy.

The bill, with an amendment in the nature of a substitute, was ordered reported by the members of the Committee on Commerce, Science, and Transportation by a rollcall vote. The vote was as follows:

YEAS	NAYS
Packwood	
Goldwater[1]	
Danforth	
Kassebaum[1]	
Pressler	
Gorton	
Stevens[1]	
Kasten	
Trible	
Hollings	
Long	
Inouye	
Riegle	
Exon[1]	
Lautenberg	

[1] By proxy.

Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (exiting law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman):

THE MOTOR VEHCILE INFORMATION AND COST SAVINGS ACT

Section 2 of that Act

DEFINITIONS

SEC. 2. For the purpose of this Act (except title V *(and except as provided in section 601 of this Act)*:
(1)–(18) * * *

TITLES I–V OF THAT ACT

* * * * * * *

TITLE VI—THEFT PREVENTION

PROMULGATION OF THEFT PREVENTION STANDARD

SEC. 601. (a)(1) The Secretary, not later than three months after the date of the enactment of the Motor Vehcile Theft Law Enforcement Act of 1984, shall publish a proposed initial motor vehicle theft prevention standard.

(2) For pusposes of this title:

(A) The term "passenger car" means a motor vehicle with motive power, except a multipurpose passenger vehicle, a truck, a trailer, or a motorcycle, designed for carrying 10 persons or less.

(B) The term "motorcycle" means a motor vehicle with motive power having a seat or saddle for the use of the rider and designed to travel on not more than 3 wheels in contact with the ground.

(C) The term "trailer" means a motor vehicle with or without motive power, designed for carrying persons or property and for being drawn by another motor vehicle.

(D) The term "truck" means a motor vehicle with motive power, except a trailer, designed primarily for the transportaton of property or special purpose equipment.

(E) The term "multipurpose passenger vehicle" means a motor vehicle with motive power, except a trailer, designed to carry 10 persons or less, which is constructed on a truck chassis or with special features for occasional off-road operation.

(F) The term "manufacturer" means any person engaged in manufacturing or assembling motor vehicles or replacement parts therefor, including any person importing motor vehicles or replacement parts for resale.

(G) The term "motor vehicle theft prevention standard" means a minimum performance standard relating to methods and procedures for the identification of new motor vehicle parts and components.

(H) The terms "initial motor vehicle theft prevention standard" and "initial standard" mean a motor vehicle theft prevention standard which is promulgated pursuant to paragraph (1) of this subsection and subsection (b) of this section, and in which the types of vehicles designated in the standard are limited to passenger cars.

(I) The term "subsequent motor vehicle theft prevention standard" means any motor vehicle theft prevention standard which is promulgated pursuant to subsection (c) of this section.

(J) The term "line" means a name which a manufacturer applies to a family of motor vehicles within a make which have a degree of commonality in construction, such as a body, chassis or cab type.

(K) The term "make" means a name which a manufacturer applies to a group of vehicles.

(L) The term "ultimate purchaser" means the first person who in good faith purchases a motor vehicle or a replacement part, as the case may be, for purposes other than resale.

(M) The term "new part", with respect to new motor vehicle parts and new replacement parts, means (i) a part the equitable or legal title to which has never been transferred to an ultimate purchaser, or (ii) a part which is imported or offered for importation into the United States and which is manufactured after the effective date of a motor vehicle theft prevention standard which would have been applicable to such part had it been manufactured in the United States.

(3) The definitions of "passenger motor vehicle", "multipurpose passenger vehicle", "passenger motor vehicle equipment", "manufacturer", "make" and "model" in section 2(2), (3), (7), (8) and (9) of this Act do not apply to this title.

(b)(1) The Secretary, as soon as practicable after the three-month period referred to in subsection (a) of this section but not later than six months after such date of enactment, shall promulgate an initial motor vehicle theft prevention standard. Such standard shall be practicable, and shall employ relevant objective criteria. Such standard shall take effect not earlier than one hundred and eighty days after the date on which such standard is promulgated, unless the Secretary finds, for good cause shown, that an earlier or later effective date is in the public interest. and publishes the reasons for such finding. Notwithstanding the provisions of this paragraph, such standard shall not apply to any line during the model year of that line if which such standard is promulgated.

(2) The initial motor vehicle theft prevention standard shall continue in effect until it is terminated under subsection (c)(3) of this section. Such standard shall apply to—

(A) those new motor vehicle parts and components specified in such standard which are manufactured after the effective date of such standard and are installed by vehicle manufacturers, during vehicle assembly, into—

(i) passenger cars of any line, the theft rate of which, in the United States, over the two calendar years immediately preceding the year in which the standard is promulgated, exceeds the median theft rate in the United States of all new passenger car lines sold in the United States during those two years,

(ii) passenger cars of any line initially introduced into commerce at any time after the beginning of the two-year period specified in clause (i) of this subparagraph which the Secretary determines is likely to have a theft rate exceeding such median theft rate,

(iii) passenger cars of any line, the theft rate of which, in the United States, is less than (in the case of clause (i) of this subparagraph) or is likely to be less than (in the case of clause (ii) of this subparagraph) such median theft rate, where such cars are manufactured with parts and components that are interchangeable with a majority of the parts and components subject to the standard of a passenger car line specified in clause (i) or clause (ii) of this subparagraph, except that the Secretary shall exempt from such standard such parts and components of any line specified by this clause if the passenger cars in which such parts and components are installed account (in the case of clause (i) of this subparagraph) or which the Secretary determines are likely to account (in the case of clause (ii) of this subparagraph) for more than ninety percent of the total annual production of all lines of that manufacturer which comprise those interchangeable parts and components, and

(iv) passenger cars of any line initially introduced, or to be initially introduced, into commerce during or after the year in which the standard is promulgated which the Secretary determines is likely to have a theft rate exceeding such median theft rate or which comprises major parts or components that are interchangeable with a majority of the parts and components of a passenger car line specified in clause (i) of this subparagraph; and

(B) all new replacement parts and components manufactured as replacements for those parts and components specified in subparagraph (A) of this paragraph, except that such replacement parts and components shall only be designated with a manufacturer's source symbol and a common symbol identifying the part as a replacement part.

(3) Such initial standard shall not apply to parts and components of more than fourteen passenger car lines distributed in the United States by any particular motor vehicle manufacturer which are subject to paragraph (2)(A) (i) and ~~(ii) of~~ this subsection ~~and~~ which are initially introduced into commerce prior to the effective date of such standard.

(4) With respect to the provisions of paragraph (3) of this subsection, and with respect to any particular manufacturer, the specific lines, parts and components which are to be covered by such initial standard may be selected by agreement between that manufacturer and the Secretary. If the manufacturer and the Secretary disagree as to such selection, the Secretary shall, within one year after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984, select such lines, after notice to the manufacturer and opportunity for a hearing, and subject to the confidentiality requirements of this title.

(5) Within 30 days after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984, the Secretary shall request from the National Crime Information Center the data required for determining the median theft rate and individual passenger car line theft rates under paragraph (2) of this subsection, and the National Crime Information Center shall provide such data, if available, to the Secretary within 90 days after the date of such request.

If such data are not provided to the Secretary within four months after the date of enactment of the Motor Vehicle Theft Law Enforcement Act of 1984, the Secretary may, in determining the median theft rate and the line theft rates for promulgating the initial standard, use reliable data obtained from an alternative source if such reliable data reflect national experience, include theft data, and are readily available to motor vehicle manufacturers and to insurance carriers who supply such data to such alternative source.

(6)(A) Notwithstanding the provisions of this subsection, any manufacturer may petition the Secretary for an exemption for any line or lines from the application of the initial motor vehicle theft prevention standard and for permission to install in lieu of any requirements of such standard an anti-theft device which the Secretary determines is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the requirements of such standard. Such anti-theft device shall be offered as standard equipment on any such line or lines.

(B) Such petition shall be filed with the Secretary not less than eight months before the commencement of production of such line or lines. As part of such petition, the manufacturers shall include a detailed description of such device, and the reasons for the manufacturer's conclusion that such device will be effective in reducing and deterring theft of motor vehicles. The Secretary may require such additional information as the Secretary determines may be reasonably required to make the determination specified in subparagraph (A) of this paragraph.

(C) Such determination shall be made, based upon substantial evidence, within 120 days of the date of filing of such petition. The Secretary may approve such petition in whole or in part. If the Secretary fails to make such determination within such time period, the petition shall be considered approved, and the manufacturer shall be exempt from the application of such standard for the subsequent model year.

(D) Nothing in this paragraph shall preclude the Secretary from rescinding any such exemption for any model year subsequent to the model year in which such rescission occurs, except that such rescission shall not be effective until at least six months after the manufacturer receives written notice from the Secretary of such rescission.

(E) As used in this paragraph, the term "anti-theft device" means a device to reduce or deter theft which is in addition to the theft-deterrent devices required by Federal Motor Vehicle Safety Standard No. 114, Theft Protection, which the manufacturer believes will be effective in reducing or deterring theft of motor vehicles, and which does not utilize any signaling device which is reserved by a provision of any State law for use on police, emergency or official vehicles, or on school buses.

(7) The Secretary shall, by rule, require each manufacturer to provide information necessary to implement paragaph (2)(A)(ii) and (iii) of this subsection. The Secretary shall from time to time make parts and components of additional lines, as provided in paragraph (2)(A) (ii) and (iii), subject to such initial standard. With respect to any particular manufacturer, the specific additional lines made subject to such standard may be selected by agreement between that manufacturer and the Secretary. If the manufacturer and the Secretary

disagree as to any such selection, the Secretary shall select such lines, after notice to the manufacturer and opportunity for a hearing, and subject to the confidentiality requirements of this title. No manufacturer shall be required to begin to comply with any such agreement or selection for a period of at least six months after the date of agreement or selection, as the case may be. The Secretary may not render the standard inapplicable to any line, part or component which at any time has been subject to the standard.

(8) Within 45 days after the end of each successive calendar year beginning with the year in which the Motor Vehicle Theft Law Enforcement Act of 1984 is enacted, the Department of Justice shall report to the Secretary:

(A) the name of each manufacturer of any motor vehicle which has been reported to the National Crime Information Center to have been stolen or recovered during that calendar year; and

(B) the numbers of such motor vehicles reported stolen or recovered, categorized by manufacturer, make, line, and model year.

The Secretary shall consider such information in preparing the report required under subsection (c) of this section.

(c)(1) The Secretary shall prepare, in consultation with the Attorney General of the United States, and shall publish on the fourth anniversary of the effective date of such initial standard, a preliminary report to Congress which considers—

(A) whether, based upon the most recent data available from the National Crime Information Center, the most recent statistics available from the Uniform Crime Reports, and any reliable, relevant data obtained from other sources, there has been a beneficial impact, attributable to such initial standard, in terms of (i) a reduction in the numbers of motor vehicle thefts, (ii) an increase in the percentage of stolen motor vehicles or parts and components recovered, and (iii) an increase in, or in the rate of, arrests, prosecutions and convictions for motor vehicles thefts;

(B) whether, based upon reliable, relevant data as well as upon studies undertaken by the Secretary, there has been a beneficial impact, attributable to such initial standard, in terms of (i) a decrease in the cost of automobile theft insurance, or a decrease in the rate of increase of such cost, (ii) savings to consumers realized through alleviating inconveniences and lost time experienced as a result of the theft of motor vehicles or their parts and components, and (iii) savings to society in terms of enhanced law enforcement;

(C) the monetary value of any such beneficial impacts, the costs incurred in complying with such initial standard, and whether such monetary value is greater than such costs;

(D) whether and the extent, if any, to which such monetary value probably would have been increased had the standard also applied to the parts and components of additional motor vehicles, and whether such monetary value, if any, that probably would have resulted from a more inclusive motor vehicle theft prevention standard would have exceeded the probable additional cost of complying with such standard; and

(E) recommendations based on the information contained in subparagraphs (A) through (D) of this paragraph, and on such additional relevant facts relating to costs and benefits as the Secretary may obtain, as to whether such initial standard should be (i) continued in force because it is cost beneficial, (ii) modified to include parts and components of fewer or more motor vehicles to achieve an even higher ratio of benefits to costs, or (iii) should be rescinded because the costs exceed the benefits, and whether the exemptions approved under subsection (b)(6) of this section should be continued.

(2) When such preliminary report is published, the Secretary shall, pursuant to section 552 of title 5, United States Code, issue a notice of proposed rulemaking which takes into account the preliminary report and proposes a subsequent standard which would be likely to product benefits which are greater than the costs specified in paragraph (1) of this subsection. Such proposal may provide for continuance in force of such initial standard, the identification of parts and components of fewer or more motor vehicles, or for the rescission of such initial standard and no promulgation of any subsequent standard. Such proposal may also provide for continuation of the exemptions approved under subsection (b)(6) of this section. Any such proposed or subsequent standard shall be subject to the provisions of subsections (d), (e) and (f) of this section. The Secretary shall allow not less than 60 days and not more than 120 days for submission of comments regarding such notice of proposed rulemaking and such report.

(3) Within 180 days after the close of the period for comments on any such rule proposed by such notice of proposed rulemaking, the Secretary shall publish either a rule rescinding such initial standard or a subsequent standard which would be likely to produce benefits which are greater than the costs specified in paragraph (1) of this subsection. Any such subsequent standard shall be practicable, and shall employ relevant objective criteria. The subsequent standard shall not take effect earlier than 180 days or later than one year after the date on which it is promulgated, unless the Secretary finds, for good cause shown, that an earlier or later effective date is in the public interest. The Secretary shall publish reasons for any such finding.

(4) The Secretary may, after any rescission of such initial standard or the issuance of any such subsequent standard, conduct additional rulemaking pursuant to the procedures and provisions set forth in paragraphs (1) through (3) of this subsection.

(d)(1) The initial motor vehicle theft prevention standard and any subsequent standard promulgated by the Secretary under subsection (b) of this section may not impose additional costs upon manufacturers of motor vehicles in excess of $15 per motor vehicle or such reasonable lesser amount per replacement part or component as the Secretary specifies in such standard.

(2) Any manufacturer, subsequent to the promulgation of any such motor vehicle theft prevention standard, may petition the Secretary to amend such standard for the purpose of complying with the requirement of paragraph (1) of this subsection. Upon a showing by such manufacturer that compliance with such standard will cause costs which exceed $15 per motor vehicle or such specified lesser

amount per replacement part or component, the Secretary may amend such standard in such manner as may be necessary to eliminate costs which exceed $15 per motor vehicle or such specified lesser amount per replacement part or component.

(3)(A) At the beginning of each calendar year (commencing in 1985), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Secretary and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. The amount specified in paragraphs (1) and (2) of this subsection shall be adjusted by such percentage differences. Such amount so adjusted shall be the amount in effect for such calendar year.

(B) For purposes of subparagraph (A) of this paragraph:

(i) The term "base period" means calendar year 1984.

(ii) The term "price index" means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

(e) The initial motor vehicle theft prevention standard promulgated by the Secretary under subsection (b) of this section may not require the numbering or other identification of more than a total of fourteen parts for any passenger car. Any subsequent standard promulgated by the Secretary under subsection (c) of this section may not require the numbering or other identification of more than a total of four parts or components for any trailer, nine parts or components for any truck, and fourteen parts or components for any other motor vehicle. The new replacement parts or components designated by the Secretary under such standard shall be identical in type to those parts or components designated for numbering or other identification during the assembly of motor vehicles manufactured after the effective date of such standard.

(f) Any rule establishing, amending, or revoking a motor vehicle theft prevention standard under this title shall be issued pursuant to section 553 of title 5, United States Code.

(g)(1) Any person who may be adversely affected by any initial or subsequent standard issued under this section may, at any time within 60 days after the date on which such standard is issued, file a petition with the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his principal place of business, for judicial review of such standard. A copy of the petition shall forthwith be transmitted by the clerk of the court to the Secretary or the Secretary's delegate. The Secretary shall then file in the court the record of the proceeding on which the Secretary based any such standard, as provided in section 2112 of title 28, United States Code.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced in a hearing, in such manner and upon such terms and conditions as the court may consider proper. The Secre-

tary may modify any of the Secretary's findings as to the facts, or make new findings, by reason of the additional evidence so taken, and shall file such modified or new findings, and any recommendations for the modification or setting aside of any standard, with the return of such addtional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to review the standard in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such standard of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

(5) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

DETERMINATION OF COMPLIANCE BY MANUFACTURER

SEC. 602. (a) Every manufacturer of any motor vehicle any part of which is subject to the initial or any subsequent standard, and any manufacturer of replacement parts under any such standard, shall establish and maintain such records, make such reports, and provide such items and information as the Secretary may reasonably require to enable the Secretary to determine whether such manufacturer has acted or is acting in compliance with this title and any motor vehicle theft prevention standard promulgated pursuant to this title and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee to inspect vehicles, parts and components of which are subject to such standard, and appropriate books, papers, records, and documents relevant to determining whether such manufacturer has acted or is acting in compliance with this title and any motor vehicle theft prevention standard promulgated pursuant to this title. Such manufacturer shall make available all such items and information in accordance with such reasonable rules as the Secretary may prescribe.

(b) For purposes of enforcement of this title, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter any factory, warehouse, or establishment in which motor vehicles comprising parts and components subject to such standard, or replacement parts and components subject to such standard are manufactured or held for introduction into interstate commerce or are held for sale after such introduction, and (2) to inspect such factory, warehouse, or establishment. Each such inspection shall be conducted at reasonable times and in a reasonable manner and shall be commenced and completed with reasonable promptness.

(c)(1) Every manufacturer or distributor of a motor vehicle comprising parts and components subject to the motor vehicle theft prevention standard promulgated pursuant to this title shall furnish to the distributor or dealer at the time of delivery of such vehicle by such manufacturer or distributor a certification that all parts of each such vehicle which are subject to such standard conform to the

applicable motor vehicle theft prevention standard, except that such certification requirement shall not apply to replacement parts and components not part of the original assembly of a motor vehicle. The Secretary is authorized to issue rules prescribing the manner and form of such certification.

(2) Paragraph (1) of this subsection shall not apply to any motor vehicle or motor vehicle part or component which is intended solely for export (and is so labeled or tagged on the vehicle or equipment itself and on the outside of the container, if any) and which is exported.

(d) If a manufacturer of motor vehicles obtains knowledge that (1) the identification applied, to conform to an applicable motor vehicle theft prevention standard, to any part or component installed by the manufacturer in a motor vehicle during its assemble contains an error, and (2) such motor vehicle has been distributed in interstate commerce, the manufacturer shall furnish notification of such error to the Secretary.

PROHIBITED ACTS

SEC. 603. (a) No person shall—

(1) manufacture for sale, sell, offer for sale, or introduce or deliver for introduction in interstate commerce, or import into the United States, (A) any motor vehicle comprising any part or component, or (B) any motor vehicle replacement part or component, manufactured on or after the date any motor vehicle theft prevention standard applicable to such part or component, or replacement part or component, as the case may be, takes effect under this title unless it is in conformity with such standard;

(2) fail to comply with any rule prescribed by the Secretary under this title;

(3) fail to keep specified records or refuse access to or copying of records, or fail to make reports or provide items or information, or fail or refuse to permit entry or inspection, as required under this title or any rule issued thereunder; or

(4)(A) fail to furnish certification required by section 602(c) of this title, or (B) issue a certification required by such subsection to the effect that a motor vehicle part or component conforms to an applicable motor vehicle theft prevention standard, if such person knows, or in the exercise of due care has reason to know, that such certification is false or misleading in a material respect.

(b)(1) Subsection (a)(1) of this section shall not apply to any person who establishes that he did not have reason to know in the exercise of due care that the part or component is not in conformity with an applicable theft prevention standard.

(2) A motor vehicle or motor vehicle replacement part or component offered for importation in violation of subsection (a)(1) of this section shall be refused admission into the United States under joint regulations issued by the Secretary of the Treasury and the Secretary; except that the Secretary of the Treasury and the Secretary shall, by such regulations, provide for authorizing the importation of such vehicle or part or component into the United States upon such reasonable terms and conditions (including the furnish-

ing of a bond) as may appear to them appropriate to insure that any non-conforming part of such vehicle or any non-conforming replacement part or component will be brought into conformity with any applicable motor vehicle theft prevention standard prescribed under this title or will be exported or abandoned to the United States.

(c) Compliance with a motor vehicle theft prevention standard issued under this title does not exempt any person from any liability under statutory or common law.

ENFORCEMENT PROVISIONS

SEC. 604. (a) Whoever violates section 603(a) of this title may be assessed a civil penalty of not to exceed $250 for each violation. The failure of more than one part of a single motor vehicle to conform to an applicable motor vehicle theft prevention standard shall constitute only a single violation. Any such penalty shall be assessed by the Secretary and collected in a civil action brought by the Attorney General of the United States. Any such civil penalty may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owed by the United States to the person charged. The maximum civil penalty shall not exceed $250,000 for any related series of violations.

(b)(1) Upon petition by the Attorney General on behalf of the United States, the United States district courts shall have jurisdiction, for cause shown and subject to the provisions of rule 65(a) and (b) of the Federal Rules of Civil Procedure, to restrain violations of this title, or to restrain the sale, offer for sale, or the introduction or delivery for introduction in interstate commerce, or the importation into the United States, of (A) any motor vehicle comprising a part or component, or (B) any motor vehicle replacement part or component, which is determined, prior to the first purchase of such vehicle or such replacement part or component in good faith for purposes other than resale, not to conform to the applicable motor vehicle theft prevention standard. Whenever practicable, the Secretary shall give notice to any person against whom an action for injunctive relief is contemplated and afford the person an opportunity to present his views, and except in the case of a knowing and willful violation, shall afford the person reasonable opportunity to achieve compliance. The failure to give such notice and afford such opportunity shall not preclude the granting of appropriate relief.

(2) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this subsection, which violation also constitutes a violation of this title, trial shall be by the court, or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

(3) Actions under paragraph (1) of this subsection and under subsection (a) of this section may be brought in the district wherein any act or transaction constituting the violation occurred, or in the dis-

trict wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district in which the defendent is an inhabitant or wherever the defendant may be found.

(4) In any actions brought under paragraph (1) of this subsection and under subsection (a) of this section, subpenas for witnesses who are required to attend a United States district court may run into any other district.

CONFIDENTIALITY OF INFORMATION

SEC. 605. All information reported to or otherwise obtained by the Secretary or the Secretary's representative under this title which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, or in section 552(b)(4) of title 5, United States Code, shall be considered confidential for the purpose of the applicable section, except that such information may be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title (other than a proceeding under section 601(b)(4) of this title). Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under the Secretary's control from any committee of the Congress.

COORDINATION WITH STATE AND LOCAL LAW

SEC. 606. Whenever a motor vehicle theft prevention standard established under this title is in effect, no State or political subdivision of a State shall have any authority either to establish, or to continue in effect, with respect to any motor vehicle, or motor vehicle part or component, any theft prevention standard which is not indentical to such motor vehicle theft prevention standard.

STUDIES REGARDING SECURITY DEVICES AND SYSTEMS

SEC. 607. The Secretary may conduct studies from time to time regarding the development of security devices or systems, or both, which are designed to deter individuals from entering a locked motor vehicle and starting the motor vehicle for the purpose of stealing the motor vehicle.

TITLE 18, UNITED STATES CODE

Chapter 25 of that title

Sec.
471–510 * * *
511. Altering or removing motor vehicle identification numbers.
512. Forfeiture of certain motor vehicles, motor vehicle parts, and motor vehicle components.

§§ 471–510 * * *

§ 511. Altering or removing motor vehicle identification numbers

(a) Except as provided in subsection (b) of this section, whoever knowingly removes obliterates, tampers with, or alters any identification number for any motor vehicle, or any part or component of a

motor vehicle, shall be fined not more than $5,000, imprisoned for not more than five years, or both.

(b) The provisions of subsection (a) of this section shall not apply to—

(1) any motor vehicle scrap processor or motor vehicle demolisher, when—

(A) such person is engaged in the processing of any motor vehicle, or any motor vehicle part or component, into metallic scrap for purposes of recycling the metallic content of such motor vehicle, part, or component; and

(B) such person, in carrying out such processing, complies with any applicable State law relating to the disposition of such motor vehicle, part, or component; or

(2) any person, acting under authority of the Secretary of Transportation or under authority of State law, who is engaged in restoring or replacing any identification number specified in subsection (a) or this section.

(c) For purposes of this section:

(1) The term "identification number" means any identification number which is required under the National Traffic and Motor Vehicle Safety Act of 1966 or the Motor Vehicle Information and Cost Savings Act or required by any other regulation issued by the Secretary of Transportaiton.

(2) The term "motor vehicle" has the meaning given it in section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 and section 2 of the Motor Vehicle Information and Cost Saving Act.

(3) The term "motor vehicle demolisher" means any person, including any motor vehicle dismantler or motor vehicle recycler, who is engaged in the business of processing motor vehicles, or motor vehicle parts or components, or both, in a manner which renders the subject of such processing unsuitable for any further use as a motor vehicle or a motor vehicle part or component.

(4) The term "motor vehicle scrap processor" means any person—

(A) who is engaged in the business of purchasing motor vehicles, or motor vehicle parts or components, or both, for the purpose of processing such motor vehicles, parts, or components into metallic scrap for recycling;

(B) who, from a fixed location, utilizes machinery and equipment for processing and manufacturing ferrous or nonferrous metallic scrap into prepared grades; and

(C) whose business produces metallic scrap for recycling as its principal product.

Such term does not include any activity of any such person relating to the recycling of a motor vehicle or a motor vehicle part or component as a used motor vehicle or a used motor vehicle part or component.

(5) The term "processing" means loading, unloading, crushing, flattening, destroying, grinding up, handling, or otherwise reducing a motor vehicle or a motor vehicle part into metallic scrap.

§ 512. Forfeiture of certain motor vehicles, motor vehicle parts, and motor vehicle components

(a) If any identification number for any motor vehicle, or any part or component of a motor vehicle, is removed, obliterated, tampered with, or altered, then such motor vehicle, part, or component shall be subject to seizure and forfeiture to the United States unless—

(1) in the case of a motor vehicle part or component, such part or component has been attached to a motor vehicle without any knowledge of the owner of such motor vehicle that such identification number has been removed, obliterated, tampered with, or altered;

(2) such motor vehicle, part, or component has a replacement identification number which is authorized by the Secretary of Transportation or which is in conformity with any applicable laws of the State in which such motor vehicle, part, or component is located;

(3) such removal, obliteration, tampering, or alteration—

(A) is caused by any collision or fire which results in damage to that portion of such motor vehicle, part, or component on which such identification number is displayed; or

(B) is carried out in accordance with the provisions of section 511(b)(1) of this title; or

(4) such motor vehicle, part, or component is in the possession or control of a motor vehicle scrap processor, unless such motor vehicle scrap processor has knowledge of the fact that such identification number was removed, obliterated, tampered with, or altered in any manner other than by collision, fire, or the processing of such motor vehicle, part, or component in accordance with the provisions of section 511(b)(1) of this title.

(b) All provisions of law relating to—

(1) the seizure and condemnation of vessels, vehicles, merchandise, and baggage for violation of customs laws, and summary and judicial forfeiture procedures applicable in the case of such violations;

(2) the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from such disposition;

(3) the remission or mitigation of such forfeitures; and

(4) the compromise of claims and the award of compensation to informers with respect to such forfeitures;

shall apply to seizures and forfeitures incurred or alleged to have incurred under the provisions of this section, insofar as applicable and not inconsistent with such provisions. Such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be designated for such purpose by the Attorney General.

(c) For purposes of this section:

(1) The term "identification number" has the meaning given it in section 511(c)(1) of this title.

(2) The term "motor vehicle" has the meaning given it in section 511(c)(2) of this title.

(3) The term "motor vehicle scrap processor" has the meaning given it in section 511(c)(4) of this title.

Chapter 27 of that title

Sec.
541–552 * * *
553. Unlawful importation or exportation of stolen motor vehicles, off-highway mobile equipment, vessels, or aircraft.

§§ 541–552 * * *

§ 553. Unlawful importation or exportation of stolen motor vehicles, off-highway mobile equipment, vessels, or aircraft

(a) Whoever imports, exports, or attempts to import or export—

(1) any motor vehicle, off-highway mobile equipment, vessel, aircraft, or part of any motor vehicle, off-highway mobile equipment, vessel, or aircraft, knowing the same to have been stolen; or

(2) any motor vehicle or off-highway mobile equipment or part of any motor vehicle or off-highway mobile equipment, knowing that its identification number has been removed, obliterated, tampered with, or altered;

shall be fined not more than $10,000, imprisoned for not more than 5 years, or both

(b) For purposes of this section—

(1) the term "motor vehicle" means any automobile, truck, tractor, bus, motorcycle, or motor home, but such term does not include any off-highway mobile equipment;

(2) the term "off-highway mobile equipment" includes any self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled machine used or designed for running on land but not on rail or highway;

(3) the term "vessel" has the meaning given it in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401); and

(4) the term "aircraft" has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5)).

Chapter 83 of that title

CHAPTER 83. POSTAL SERVICE

Sec.
1691. Laws governing postal savings.
1692. Foreign mail as United States mail.
1693. Carriage of mail generally.
1694. Carriage of matter out of mail over post routes.
1695. Carriage of matter out of mail on vessels.
1696. Private express for letters and packets.
1697. Transportation of persons acting as private express.
1698. Prompt delivery of mail from vessel.
1699. Certification of delivery from vessel.
1700. Desertion of mails.
1701. Obstruction of mails generally.
1702. Obstruction of correspondence.
1703. Delay or destruction of mail or newspapers.

1704. Keys or locks stolen or reproduced.
1705. Destruction of letter boxes or mail.
1706. Injury to mail bags.
1707. Theft of property used by Postal Service.
1708. Theft or receipt of stolen mail matter generally.
1709. Theft of mail matter by officer or employee.
1710. Theft of newspapers.
1711. Misappropriation of postal funds.
1712. Falsification of postal returns to increase compensation.
1713. Issuance of money orders without payment.
1714. Foreign divorce information as nonmailable.
1715. Firearms as nonmailable; regulations.
1716. Injurious articles as nonmailable.
[1716A. Nonmailable motor vehicle master keys.] *1716A. Nonmailable motor vehicle master keys and other devices.*
1717. Letters and writings as nonmailable; opening letters.
1718. Libelous matter on wrappers or envelopes.
1719. Franking privilege.
1720. Canceled stamps and envelopes.
1721. Sale or pledge of stamps.
1722. False evidence to secure second-class rate.
1723. Avoidance of postage by using lower class matter.
1724. Postage on mail delivered by foreign vessels.
1725. Postage unpaid on deposited mail matter.
1726. Postage collected unlawfully.
1727. [Repealed]
1728. Weight of mail increased fraudulently.
1729. Post office conducted without authority.
1730. Uniforms of carriers.
1731. Vehicles falsely labeled as carriers.
1732. Approval of bond or sureties by postmaster.
1733. Mailing periodical publications without prepayment of postage.
1734. Editorials and other matter as "advertisements".
1735. Sexually oriented advertisements.
1736. Restrictive use of information.
1737. Manufacturer of sexually related mail matter.

Section 1716A of that title

[§1716A. Nonmailable motor vehicle master keys] ***§1716A. Nonmailable motor vehicle master keys and other devices***

Whoever knowingly deposits for mailing or delivery, or knowingly causes to be delivered by mail according to the direction thereon, or at any place to which it is directed to be delivered by the person to whom it is addressed, any matter declared to be nonmailable by section 3002 of title 39, shall be fined not more than $1,000, or imprisoned not more than one year, or both.

Chapter 96 of that title

§ 1961. Definitions

As used in this chapter—

(1) "racketeering activity" means (A) any act or threat involving murder, kidnaping, gambling, arson, robbery, bribery, extortion, or dealing in narcotic or other dangerous drugs, which is chargeable under State law and punishable by imprisonment for more than one year; (B) any act which is indictable under any of the following provisions of title 18, United States Code: Section 201 (relating to bribery), section 224 (relating to sports bribery), sections 471, 472, and 473 (relating to counterfeiting), section 659 (relating to theft from interstate shipment)

if the act indictable under section 659 is felonious, section 664 (relating to embezzlement from pension and welfare funds), sections 891–894 (relating to extortionate credit transactions), section 1084 (relating to the transmission of gambling information), section 1341 (relating to mail fraud), section 1343 (relating to wire fraud), section 1503 (relating to obstruction of justice), section 1510 (relating to obstruction of criminal investigations), section 1511 (relating to the obstruction of State or local law enforcement), section 1951 (relating to interference with commerce, robbery, or extortion), section 1952 (relating to racketeering), section 1953 (relating to interstate transportation of wagering paraphernalia), section 1954 (relating to unlawful welfare fund payments), section 1955 (relating to the prohibition of illegal gambling business), *sections 2312 and 2313 (relating to interstate transportation of stolen motor vehicles),* sections 2314 and 2315 (relating to interstate transportation of stolen property), *section 2320 (relating to trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components),* sections 2341–2346 (relating to trafficking in contraband cigarettes), sections 2421–24 (relating to white slave traffic), (C) any act which is indictable under title 29, United States Code, section 186 (dealing with restrictions on payments and loans to labor organizations) or section 501(c) (relating to embezzlement from union funds), or (D) any offense involving fraud connected with a case under title 11, fraud in the sale of securities, or the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in narcotic or other dangerous drugs, punishable under any law of the United States;

(2)–(10) * * *

Sec.
2311–2319 * * *
2320. Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components.

Section 2311 of that title

§ 2311. Definitions

As used in this chapter:

* * * * * * *

"Securities" includes any note, stock certificate, bond, debenture, check, draft, warrant, traveler's check, letter of credit, warehouse receipt, negotiable bill of lading, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate; *motor vehicle title until it is canceled by the State indicated thereon or blank motor vehicle title;* certificate of interest in property, tangible or intangible; instrument or document or writing evidencing ownership of goods, wares, and merchandise, or transferring or assigning any right, title, or interest in or to goods, wares, and merchandise; or, in general, any instrument commonly known as a "security," or any certificate of interest or participation in, temporary or interim certificate for, receipt for, warrant, or right to

subscribe to or purchase any of the foregoing, or any forged, counterfeited, or spurious representation of any of the foregoing;

* * * * * * *

Section 2313 of that title

§ 2313. Sale or receipt of stolen vehicles

Whoever *possesses,* receives, conceals, stores, barters, sells, or disposes of any motor vehicle or aircraft, [moving as, or which is a part of, or which constitutes insterstate of foreign commerce,] *which has crossed a State or United States boundary after being stolen,* knowing the same to have been stolen, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

§ 2319. Criminal infringement of a copyright.

* * * * * * *

§ 2320. Trafficking in certain motor vehicles, motor vehicle parts, or motor vehicle components

(a) Except as provided in subsection (b) of this section, whoever buys, receives, possesses, or obtains control of, with intent to sell, transfer, distribute, dispense with, or otherwise dispose of, any motor vehicle, or any motor vehicle part or component, with knowledge that any identification number for such motor vehicle, part, or component has been removed, obliterated, tampered with, or altered, shall be fined not more than $25,000, or imprisoned for not more than 10 years, or both.

(b) The provisions of subsection (a) shall not apply in the case of any motor vehicle, or any motor vehicle part or component, if—

(1) such motor vehicle, part, or component has a replacement identification number which is authorized by the Secretary of Transportation or is in conformity with the applicable laws of the State in which such motor vehicle, part, or component is located; or

(2) the removal, obliteration, tampering with, or alteration of the identification number for such motor vehicle, part, or component (A) is caused by any collision or fire which results in damage to that portion of such motor vehicle, part, or component on which such identification number is displayed; or (B) is carried out in accordance with the provisions of section 511(b)(1) of this title.

(c) For purposes of this section:

(1) The term "identification number" has the meaning given it in section 511(c)(1) of this title.

(2) The term "motor vehicle" has the meaning given it in section 511(c)(2) of this title.

Chapter 30 of that title

CHAPTER 30. NONMAILABLE MATTER

Sec.
3001. Nonmailable matter.

[3002. Nonmailable motor vechicle master keys.]
3002. Nonmailable motor vehicle master keys and other devices.
3003. Mail bearing a fictitious name or address.
3004. Delivery of mail to persons not residents of the place of address.
3005. False representations; lotteries.
3006. Unlawful matter.
3007. Detention of mail for temporary periods.
3008. Prohibition of pandering advertisements.
3009. Mailing of unordered merchandise.
3010. Mailing of sexually oriented advertisements.
3011. Judicial enforcement.

Section 3002 of that title

[§ 3002. Nonmailable motor vehicle master keys]

§ 3002. Nonmailable motor vehicle master keys and other devices

(a) Except as provided in [subsection (b)] *subsection (c)* of this section, any motor vehicle master key, any pattern, impression, or mold from which a motor vehicle master key may be made, or any advertisement for the sale of such key, patten, impression, or mold, is nonmailable matter and shall not be carried or delivered by mail:

(b) Except as provided in subsection (c) of this section, any device which is designed or adapted primarily for the purpose of operating, circumventing, removing, or rendering inoperable the ignition switch, ignition lock, door lock, or truck lock of two or more motor vehicles, or any advertisement for the sale of any such device, is nonmailable matter and shall not be carried or delivered by mail.

[(b)] *(c)* The Postal Service is authorized to make such exemptions from the provisions of subsection (a) *and subsection (b)* of this section as it deems necessary.

[(c)] *(d)* For the purposes of this section, "motor vehicle master key" means any key (other than the key furnished by the manufacturer with the motor vehicle, or the key furnished with a replacement lock, or any exact duplicate of such keys) designed to operate 2 or more motor vehicle ignition, door, or trunk locks of different combinations.

(e) Upon evidence satisfactory to the Postal Service that any person is engaged in a scheme or device for obtaining money or property through the mail by advertising or offering for sale any motor vehicle master key or device made nonmailable by this section, the Postal Service may issue an order of the same kind and with the same incidents as that authorized by section 3005 of this title.

THE TARIFF ACT OF 1930

Title IV of that Act

SEC. 626. * * *

SEC. 627. Unlawful importation or Exportaton of Certain Vehicles and Equipment; Inspections.

(a)(1) Whoever knowingly imports, exports, or attempts to import or export—

(A) any stolen motor vehicle, off-highway mobile equipment, vessel, aircraft, or part of any motor vehicle, off-highway mobile equipment, vessel, or aircraft; or

(B) any motor vehicle or off-highway mobile equipment, or part of any motor vehicle or off-highway mobile equipment, from which the identification number has been removed, obliterated, tampered with, or altered;

shall be subject to a civil penalty in an amount determined by the Secretary, not to exceed $10,000 for each violation.

(2) Any violation of this subsection shall make such motor vehicle, off-highway equipment, vessel, aircraft, or part thereof subject to seizure and forfeiture under this Act.

(b) A person attempting to export any used motor vehicle or any used off-highway mobile equipment shall present, pursuant to regulations prescribed by the Secretary, to the appropriate customs officer both the vehicle or equipment, as the case may be, and a document describing such vehicle or equipment, as the case may be, which includes the vehicle or equipment identification number, as the case may be, before lading if the vehicle or equipment, as the case may be, is to be transported by vessel or aircraft, or before export if the vehicle or equipment, as the case may be, is to be transported by rail, highway, or under its own power. Failure to comply with the regulations of the Secretary shall subject such person to a civil penalty of not more than $500 for each violation.

(c) For purposes of this section—

(1) the term "motor vehicle" includes any automobile, truck, tractor, bus, motorcycle, or motor home, but such term does not include any off-highway mobile equipment;

(2) the term "off-highway mobile equipment" includes self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled machine used or designed for running on land but not on rail or highway;

(3) the term "aircraft" has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5));

(4) the term "used" refers to any motor vehicle or off-highway mobile equipment the equitable or legal title to which has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser; and

(5) the term "ultimate purchaser" means the first person, other than a dealer purchasing in his capacity as a dealer, who in good faith purchases a motor vehicle or off-highway mobile equipment for purposes other than resale.

(d) Customs officers may cooperate and exchange information concerning motor vehicles, off-highway mobile equipment, vessels, or aircraft, either before exporation or after exportation or importation, with such Federal, State, local, and foreign law enforcement or governmental authorities, and with such organizations engaged in theft prevention activities, as may be designated by the Secretrary.

○

Calendar No. 920

98TH CONGRESS
2d Session

SENATE

REPORT
98-479

THE HAZARDOUS MATERIALS TRANSPORTATION ACT AMENDMENTS OF 1984

MAY 23 (legislative day, MAY 21), 1984.—Ordered to be printed

Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany S. 2706]

The Committee on Commerce, Science, and Transportation, having considered an original bill (S. 2706) to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal years 1985 and 1986, and for other purposes, reports favorably thereon and recommends that the bill do pass.

PURPOSE OF THE BILL

The Department of Transportation (DOT) is responsible for regulating the transportation of hazardous materials in commerce by all modes. The Hazardous Materials Transportation Act of 1974 (HMTA) provides the primary legislative authority for DOT's hazardous materials program. This legislation amends the HMTA to provide funding authorizations for fiscal years 1985 and 1986 for DOT's hazardous materials program, carried out by the Materials Transportation Bureau (MTB) within the Research and Special Programs Administration (RSPA).

BACKGROUND AND NEED

Hazardous materials are defined both by statute and regulation to be those materials that the Secretary of Transportation has found to pose unreasonable risks to health and safety or property when transported in a particular quantity or form in commerce. Approximately 2,400 materials have been designated as hazardous. While it is impossible to determine precisely the scope of hazardous

S263-24

materials shipments, it has been estimated that roughly 4 billion tons of hazardous materials are shipped each year.

The transportation of hazardous materials is a function essential to the operation of numerous industries in the United States, but is an activity with which many potentially serious risks are associated. Despite the potential risks, however, hazardous materials transportation safety has been improving in recent years, as illustrated by the statistics on reported incidents since 1978. (1978 was the year of the highest reported number of incidents in the last decade.) The chart below shows this improvement.

HAZARDOUS MATERIALS TRANSPORTATION SAFETY STATISTICS BY MODE

[Dollars in thousands]

Mode	1978	1979	1980	1981	1982	1983
Incidents by mode and reporting year:						
Air	231	284	233	160	97	66
Highway	16,548	15,978	14,484	7,704	5,647	4,829
Railway	1,191	1,215	1,327	1,131	831	851
Water	47	34	42	7	9	13
Freight forwarder	5	2	1	3	6	1
Other	0	11	28	58	3	1
Total	18,022	17,524	16,115	9,063	6,593	5,761
Deaths by mode and reporting year:						
Air	0	0	0	0	0	0
Highway	20	18	17	27	12	8
Railway	26	0	2	0	0	0
Water	0	0	0	0	0	0
Freight forwarder	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	46	18	19	27	12	8
Injuries by mode and reporting year:						
Air	43	13	8	7	0	0
Highway	594	697	481	397	93	122
Railway	482	228	129	221	36	69
Water	10	1	1	0	1	0
Freight forwarder	1	0	1	0	0	0
Other	0	2	2	18	0	0
Total	1,130	941	622	643	130	191
Damages by mode and reporting year:						
Air	$6,834	$30,312	$12,486	$6,660	$28,001	$51,875
Highway	11,259,906	8,925,269	7,323,628	12,673,481	11,409,130	9,052,062
Railway	6,848,364	5,781,500	2,834,030	2,652,827	4,083,195	2,590,747
Water	17,912	30,364	507,427	53,045	30,000	80,088
Freight forwarder	160	0	100	6,500	35	300
Other	0	5,100	29,366	69,108	200	16,500
Total	18,133,176	14,772,545	10,707,037	15,461,621	15,550,561	11,791,572

Source: U.S. Department of Transportation.

In considering these statistics, certain safety comparisons should be made. With respect to overall transportation safety, for example, more than 45,000 lives were lost in general highway accidents in 1982. By contrast, there were 6,593 hazardous materials transportation incidents reported to DOT in 1982, resulting in 12 deaths and 130 injuries. Looking at modal safety in the transportation of

hazardous materials, the Committee notes that roughly 90 percent of hazardous materials deaths and injuries are attributable to incidents which occur during the transportation of these materials over the highways.

The HMTA grants DOT the authority to regulate the safety of hazardous materials in or affecting interstate commerce, including international movements. Under the HMTA, DOT promulgates regulations governing shipper and carrier operations, packaging and container specifications, handling, labelling, and incident reporting. State and local laws are preempted to the extent they are inconsistent with this Federal law, and DOT issues advisory opinions on determinations of consistency. Additionally, DOT is responsible for the enforcement of those regulations and has the appropriate inspection and penalty authority. In this regard, the MTB sponsors training and education programs to improve compliance with hazardous materials transportation regulations. Finally, DOT is responsible for evaluating risks and establishing a central reporting and data system to facilitate emergency response to hazardous materials transportation incidents.

In recent years, several key issues associated with the Federal hazardous materials safety program have been identified with respect to regulation, enforcement, emergency response, and technical assistance. Among them are:

1. the degree to which State and local governments should be further preempted with regard to hazardous materials transportation regulations;
2. the need for strengthened and more comprehensive enforcement of hazardous materials regulations;
3. the need for improved training and technical assistance and increased funds for emergency response activities; and
4. the overall need for improved coordination between the Federal Government and State and local governments in formulating hazardous materials regulations and in promoting improved enforcement and emergency response.

PREEMPTION OF STATE AND LOCAL REGULATIONS

There is general agreement that hazardous materials safety regulation should protect the health and safety of people and their environment, but without impeding the flow of commerce or diminishing overall safety. The preemption standard of consistency embodied in the HMTA represents a balancing of these interests. However, in recent years, there has been a growing conflict between these interests as States and localities have begun to pass hazardous materials regulations of their own.

This proliferation of State and local regulations is the result of a growing concern on the part of States and localities about inadequate enforcement and emergency response capabilities and what they perceive to be the absence of a strong Federal role in hazardous materials safety. State and local officials thus have believed that they must be able to retain and exercise their authority to protect the health and safety of their citizens. Furthermore, they have believed that they are in a better position than DOT to address the safety problems unique to their jurisdictions.

Many of these local regulations have involved routing, time-of-day rstrictions and other bans, and shipment notification. Thus, industry has become concerned about their burdensome impact on interstate commerce and has sought to limit such regulations. Industry and others have argued that more uniformity among safety laws must be attained in the interest of overall safety.

The committee has closely followed the significant efforts made over the last several months by certain representatives of States and localities and industry toward resolving this growing conflict. These groups have attempted to isolate their individual problems: to deal with the specific concerns of the States and localities about enforcement and emergency response; to clarify the areas appropriate for State and local regulations in response to industry concerns about conflicting Federal, State and local regulations; and to establish a more formalized procedure for considering local safety needs and ensuring a more coordinated regulatory scheme.

ENFORCEMENT

At the Federal level, responsibility for enforcement of hazardous materials transportation regulations is divided among five DOT operating administrations. The Research and Special Programs Administration is responsible for enforcement of regulations applicable to more than a single transportation mode and those dealing with containers. The Coast Guard, the Federal Aviation Administration, the Federal Highway Administration, and the Federal Railroad Administration have jurisdiction over enforcment activities relating to transportation by water, air, highway, and rail, respectively. Much concern has been raised in the past about the adequacy of the Federal enforcement capability.

Thus, while DOT has significant enforcement authority, a joint Federal/State effort is necessary in order to ensure a strengthened and more effective enforcement of the Federal hazardous materials transportation regulations. To this end, two Federal cooperative programs have been established in recent years. The State Hazardous Materials Enforcement Development Program (SHMED) was established a few years ago by DOT to enable States which adopt Federal hazardous materials regulations to develop enforcement capabilities within existing public safety agencies through Federal technical and financial assistance. Twenty-five States have received Federal assistance under this program.

In 1982, Congress established a motor carrier safety grant-in-aid program in title IV of the Surface Transportation Assistance Act of 1982 (Public Law 97-424). This program, administered by the Bureau of Motor Carrier Safety within DOT, encourages State enforcement of motor carrier safety regulations, including hazardous materials transportation regulations. Federal funding for the grant program was authorized for fiscal years 1984 through 1988. These programs are aimed at encouraging States to move toward a more consistent Federal/State transportation safety program and at supplementing the Federal enforcement effort. The programs have resulted in the adoption by 48 States of the Federal hazardous materials safety laws.

EMERGENCY RESPONSE

There is general agreement that perhaps the most challenging problem with respect to hazardous materials transportation is emergency preparedness. As local fire and other emergency personnel are the first to respond in the event of a hazardous materials accident, State and local officials continue to be concerned about the lack of sufficient emergency response resources, training, information, and guidance for response planning. To provide response information and guidance, DOT distributes a Hazardous Materials Emergency Response Guidebook to local emergency response personnel, and also maintains the National Response Center, operated by the Coast Guard, which provides accident notification and response assistance. To assist the States and localities in response planning, DOT recently completed a series of demonstration projects with six localities, providing those areas with the Federal funds and guidance in assessing their response needs.

However, all agree that further resources and more coordination among the various levels of government are necessary to ensure that the first responders have the necessary training and expertise. In this regard, the Committee has taken note of proposals by certain representatives of industry and States and localities to increase private-sector response funding and coordinate information dissemination.

In light of these concerns raised about regulation, enforcement, and emergency response, the Committee over the last several years has carefully examined the DOT program and its funding. The Committee continues to consider various proposals for promoting greater regulatory coordination, providing more enforcement and emergency response resources, and developing more technical assistance through training and information dissemination.

Committee Action

During the 98th Congress, the Committee conducted two hearings on hazardous materials transportation issues. On July 13, 1983, the Committee received testimony on title IV of S. 1108—the "Highway Safety Act of 1983"—relating to hazardous materials. On April 24, 1984, the Subcommittee on Surface Transportation conducted a hearing on reauthorization of the Hazardous Materials Transportation Act. Testimony was presented by Senator Arlen Specter and by representatives of the U.S. Department of Transportation, State and local governments, hazardous materials shippers, and the motor carrier industry.

On May 8, the full Committee met in open executive session and ordered favorably reported by voice vote an original bill, the "Hazardous Materials Transportation Act Amendments of 1984," providing authorizations for DOT's hazardous materials transportation safety program for fiscal years 1985 and 1986.

Estimated Costs

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget

Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 11, 1984.

Hon. BOB PACKWOOD,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for the Hazardous Materials Transportation Act Amendments of 1984.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ERIC HANUSHEK
(For Rudolph G. Penner, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

MAY 11, 1984.

1. Bill number: Not yet assigned.

2. Bill title: Hazardous Materials Transportation Act Amendments of 1984.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science and Transportation, May 8, 1984.

4. Bill purpose: The bill authorizes appropriations of $7.5 million for fiscal year 1985 and $8 million for fiscal year 1986, for the Hazardous Materials Transportation Bureau of the Department of Transportation. (The 1984 appropriation is $6.9 million and the President's request for 1985 is $7.2 million.) The bill also permits the Secretary of Transportation to enter into contracts with private agencies for a supplemental reporting system and data center.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1985	1986	1987	1988	1989
Authorization level	7.5	8.0			
Estimated outlays	6.9	8.0	0.6		

The costs of this bill fall within budget function 400.

Basis of estimate:

This estimate assumes that all funds authorized by the bill will be appropriated prior to the beginning of each fiscal year. Outlay estimates are based on historical spending rates.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Kathleen Kelly.

10. Estimate approved by: C. G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

Regulatory Impact Statement

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation:

Number of Persons Covered

This legislation provides an authorization of appropriations for fiscal years 1985 and 1986 to enable DOT to carry out its functions under the Hazardous Materials Transportation Act. As this legislation is simply reauthorizing existing programs, the number of persons covered should be consistent with current levels.

Section 4 of the bill enables DOT to work cooperatively with established private agencies in performing DOT's emergency response functions. As DOT currently is working with such agencies (for example, the Chemical Emergency Transportation Center (CHEMTREC)), the number of persons affected by this provision should not greatly exceed those currently engaged in such cooperative activity.

Economic Impact

Section 3 of this bill authorizes appropriation of $7.5 million for fiscal year 1985 and $8.0 million for fiscal year 1986 for DOT's hazardous materials transportation activities. These funding levels are modest and are not expected to have an inflationary impact on the Nation's economy.

Section 4, which authorizes a cooperative effort between DOT and private agencies, will reduce DOT's duplication of the emergency response-related efforts of these agencies. This, in turn, is likely to result in cost savings to the Federal Government.

Privacy

This legislation will not have any adverse impact on the personal privacy of the individuals affected.

Paperwork

This legislation reauthorizes existing DOT hazardous materials transportation programs. Therefore, there should be no change in paperwork requirements associated with these DOT programs.

Section 4 enables DOT to work with private agencies on emergency response activities. As this cooperative effort is aimed at reducing duplication of efforts, this provision should result in a reduction of paperwork requirements.

Section-by-Section Analysis

Section 1—Short title

The first section of the bill states the short title, the Hazardous Materials Transportation Act Amendments of 1984.

Section 2—Findings and purpose

This section cites the following Congressional findings: (1) that the transportation of hazardous materials is essential to commerce;

(2) that the Hazardous Materials Transportation Act of 1974, in the interest of uniformity, provides for preemption of State and local requirements which are not consistent with Federal hazardous materials regulations; (3) that despite this preemption, State and local governments necessarily have the primary responsibility for emergency response to serious hazardous materials incidents; (4) that increased coordination and greater consistency between the Federal Government and State and local governments is needed; and (5) that the National Hazardous Materials Transportation Advisory Committee should examine problems associated with information dissemination from the Federal Government to State and local officials and the need for increased coordination among the various levels of government.

The Committee realizes the importance of coordination among the various levels of government with respect to regulation, enforcement, emergency response, and technical assistance. In this regard, the Committee has heard from various industry and State and local representatives on proposals for ensuring more coordination between the Federal Government and the States and localities, by delineating areas of regulatory authority and enforcement, emergency response, and technical assistance responsibilities. The Committee will continue to work with these groups in an effort to arrive at proposals which can be generally supported by all.

In the interim, the Committee fully supports the efforts of the National Hazardous Materials Advisory Committee, recently established by DOT to advise the Secretary on matters relating to DOT's hazardous materials safety program. The Committee believes this Advisory Committee can serve as an effective means of ensuring that the interests of State and local governments, shippers, and carriers are considered in the Federal decision-making process. The Committee urges the Advisory Committee to explore means of improving information dissemination and coordination between the various levels of government with respect to hazardous materials transportation regulation.

This section also notes that the purposes of this Act are: (1) to authorize appropriations for fiscal years 1985 and 1986 for DOT's hazardous materials programs; and (2) to authorize cooperative action between the Secretary of Transportation and established private agencies in performing DOT's emergency response functions.

Section 3—Reauthorization of hazardous materials programs

This section authorizes appropriation of $7.5 million for fiscal year 1985 and $8.0 million for fiscal year 1986 to enable DOT to carry out its functions with respect to the transportation of hazardous materials.

The authorization level provided in this legislation for fiscal year 1985 slightly exceeds the President's proposed budget of $7.3 million ($6.5 million for operations and administration and $0.8 million for research and development). The Committee is vitally interested in a strong Federal hazardous materials transportation program. Thus it believes that the additional funding is necessary to ensure that DOT's Materials Transportation Bureau (MTB) has adequate resources for existing enforcement and regulatory duties, and any additional responsibilities in areas such as information dis-

semination and emergency response that could arise with any subsequent enactment of substantive hazardous materials transportation legislation.

In this regard, with respect to enforcement, the Committee takes positive note of DOT's plans to hire seven new enforcement specialists which the recommended authorization level will allow. To supplement the Federal enforcement effort, the Committee expects that all States will be participating in the motor carrier safety grant-in-aid program. The Committee also supports DOT's continued training of Federal and State enforcement personnel at the Oklahoma Transportation Safety Institute, and deems it important that DOT has made available these training programs and materials to interested parties without the means to come to the Institute. With respect to data collection, the Committee is encouraged by DOT's efforts to contract with a private firm to review existing data collection systems and establish improved systems in coordination with the States and localities, in response to their concerns about insufficient data on the flow of hazardous materials. Finally, with respect to emergency response, the Committee intends to work with DOT and other interested parties to increase the resources available for response planning and training.

Section 4—Reporting system and data center

This section promotes more efficient use of private sector capabilities in response to emergencies. Under current law, DOT is required to establish and maintain a central reporting system and data center. Private industry, however, already maintains and operates a repository for information on chemicals and chemically related products; this facility is CHEMTREC, sponsored by the Chemical Manufacturers Association. In order to make the most effective use of this capability, DOT and the Chemical Manufacturers Association entered into an agreement in March 1980, which provides that the National Response Center, which is maintained and operated by the Coast Guard, and CHEMTREC will cooperate in collectively providing the system and data center required by current law.

This section clarifies that this joint effort by DOT and private industry enables the Department to fulfill its statutory mandate without duplicating the effective efforts of CHEMTREC.

Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman):

The Hazardous Materials Transportation Act

Section 109 of that Act

Sec. 109. (a)-(c) * * *
(d)*(1)* The Secretary shall—

[(1)] *(A)* establish and maintain facilities and technical staff sufficient to provide, within the Federal government, the capability of evaluating risks connected with the transportation of hazardous materials and materials alleged to be hazardous;

[(2)] *(B)* establish and maintain a central reporting system and data center so as to be able to provide the law-enforcement and firefighting personnel of communities, and other interested persons and government officers, with technical and other information and advice for meeting emergencies connected with the transportation of hazardous materials; and

[(3)] *(C)* conduct a continuing review of all aspects of the transportation of hazardous materials in order to determine and to be able to recommend appropriate steps to assure the safe transportation of hazardous materials.

(2) Nothing in this subsection shall be construed to limit the authority of the Secretary to enter into a contract with a private entity for use of a supplemental reporting system and data center operated and maintained by such entity.

(e) * * *

Section 115 of that Act

SEC. 115. There are authorized to be appropriated to carry out the provisions of this title not to exceed $7,000,000 for the fiscal year ending June 30, 1976, not to exceed $1,750,000 for the transaction period of July 1, 1976, through September 30, 1976, not to exceed $5,000,000 per fiscal year for the fiscal years ending September 30, 1977, and September 30, 1978, [and] not to exceed $5,000,000 for the fiscal year ending September 30, 1979, *not to exceed $7,500,000 for the fiscal year ending September 30, 1985, and not to exceed $8,000,000 for fiscal year 1986.*

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